

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, SEPTEMBER 5, 1929



At last.. a simple explanation of the REDUCED RATE CLAUSE (frequently called Co-Insurance)

Known by a dozen names—the Reduced Rate Clause has not been widely understood. Hence it has been frequently misused, or not used at all.

Here then, for you and your customers is a new and simple explanation of this most useful provision. Here is a non-technical booklet that offers an understanding of an agreement of decided advantage to policy-holders, because it is fairest to everyone.

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Whether or not you represent either organization we will be happy to mail you a copy on request.

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Insurance Company
of Watertown, N. Y.

Empire State
Insurance Company
of Watertown, N. Y.

ONE POLICY IN ONE COMPANY ONE PREMIUM

Universally · Sound · and · Good

FIRE

THEFT

COLLISION

PLATE GLASS

PROPERTY DAMAGE

TORNADO AND HAIL

PUBLIC LIABILITY

The Complete Protection Policy that Sells

Every Owner and Every Agent Who Know the Value of Complete Coverage in One Policy Like It

A WORLD OF PROTECTION
UNIVERSAL AUTOMOBILE INSURANCE COMPANY
A SPECIALIZED SERVICE
DALLAS TEXAS



CORROON & REYNOLDS FLEET
EXTENDING COUNTRY-WIDE SERVICE AND PROTECTION

DECEMBER 31st, 1928, STATEMENTS

American Equitable Assurance Company of New York			
Assets	Liabilities	Capital	*Net Resources
\$10,099,162.29	\$3,394,266.51	\$2,000,000.00	\$6,704,895.78

Bronx Fire Insurance Company of the City of New York			
\$4,889,591.12	\$755,197.32	\$1,000,000.00	\$4,134,393.80

Brooklyn Fire Insurance Company			
\$5,762,813.80	\$1,293,331.77	\$1,000,000.00	\$4,469,482.03

Globe Insurance Company of America PITTSBURGH, PA. (Incorporated 1862)			
\$2,258,430.77	\$813,552.56	\$512,000.00	\$1,444,878.21

Knickerbocker Insurance Company of New York			
\$5,034,363.88	\$2,255,641.18	\$1,000,000.00	\$2,778,722.70

Long Island Fire Insurance Company			
Assets	Liabilities	Capital	*Net Resources
\$408,657.14	\$42,532.38	\$200,000.00	\$366,124.76

Merchants and Manufacturers Fire Insurance Company NEWARK, N. J. (Chartered 1849)			
\$5,774,475.31	\$1,291,847.16	\$1,000,000.00	\$4,482,628.15

New York Fire Insurance Company (Incorporated 1832)			
\$2,922,000.19	\$927,051.01	\$1,000,000.00	\$1,994,949.18

Republic Fire Insurance Company PITTSBURGH, PA. (Incorporated 1871)			
\$4,076,176.31	\$1,040,535.31	\$1,000,000.00	\$3,035,641.00

Sylvania Insurance Company PHILADELPHIA, PA.			
\$5,327,783.03	\$758,805.07	\$1,500,000.00	\$4,568,977.96

*Net Resources, being aggregate of Capital, Net Surplus and Voluntary Reserves.

CLASSES OF INSURANCE WRITTEN
 FIRE, AUTOMOBILE, EXPLOSION, RIOT, CIVIL COMMOTION, TORNADO AND WINDSTORM, SPRINKLER LEAKAGE, USE AND OCCUPANCY, PROFITS,
 LEASEHOLD AND GENERAL MERCHANDISE FLOATERS.

CORROON & REYNOLDS
 INCORPORATED
 MANAGER

92 WILLIAM STREET

NEW YORK CITY, N. Y.



EXPERIENCE

Through dense fogs, lashing gales, the black of night, the time-tried helmsman, ready for any emergency, keeps his ship on the true course.

The three companies which make up the Aetna Fire Group have always been guided by firm, experienced hands. Rough weather has been encountered, of course, but the good ship Aetna has always come through with colors flying.



AETNA INSURANCE COMPANY

THE WORLD FIRE AND MARINE INSURANCE COMPANY

THE CENTURY INDEMNITY COMPANY

HARTFORD - CONNECTICUT

Aetna Fire Group agents know that these three companies will guide them through any and all of their ever-arising insurance problems.

The National Underwriter

Thirty-Third Year No. 36

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, SEPTEMBER 5, 1929

\$4.00 Per Year, 20 Cents a Copy

Street Answers Agents' Charges

Vice-President of Great American Tells of Changed Conditions

TALKS AT IOWA MEETING

Managers Still Have High Regard for Men in the Field—Intimacy Gone

At the annual meeting of the Iowa Association of Insurance Agents at Fort Dodge this week, Charles R. Street, vice-president and western manager of the Great American, attempted to answer the criticisms which agents have been making of companies' managers.

Mr. Street said he did not think that managers are making it a point to irritate the agents, although like most humans they make mistakes at times. There are many factors that must be taken into account to answer the question of what is causing the present unrest in the fire insurance business.

Fire insurance has been affected along with other businesses and indus-

MR. STREET'S talk at the Fort Dodge meeting of the Iowa Association of Insurance Agents will be given in full in the special Iowa Agents' Number which THE NATIONAL UNDERWRITER will send to its subscribers the first of next week. The number will contain a full account of the association's gathering.

tries since the world war. These changes have not been fully appreciated by the agents who operate in a comparatively limited sphere. A declining premium income, although due to natural conditions, has tended to create the feeling that fire business is of declining importance, he said.

The great development of casualty business, said Mr. Street, and the modern methods these companies are using to make the agents money have not helped the fire companies' standing. The excess competition which always develops in periods when business is profitable and the special inducements which these new and untried competitors are making is also a contributing factor in making agents feel that the companies are not appreciative of changed conditions.

Not Reduced Competition

The operation of fleets, he said, instead of individual companies has not decreased competition at all because it has not reduced the number of companies, but has to some extent reduced management expenses in spite of the

Building a Fleet



W. T. GRANT

W. T. Grant, president of the Business Men's Assurance of Kansas City, Mo., which now writes life, health and accident insurance, is arranging to organize a casualty company as a running mate of the Business Men's and later on will organize a fire company to have a complete fleet.

fact that an office handling several companies does more work for the same volume of premiums than if the business were written by one or two. That volume comes from a larger number of agents and naturally there is in many cases less personal contact between agents and managers than when agents were fewer and managers were numerous.

It has been complained in the west that the agents cannot get to responsible company representatives for a discussion of their troubles. Mr. Street admitted there was some foundation for that criticism at one time, but any such impression today is erroneous and due entirely to the fact that agents haven't tried for some time or haven't gone to those who can speak for their companies.

Readjustments Breed Ill Feeling

During the deflation period of 1921 and 1922, the numerous underwriting readjustments which were forced by abnormal loss ratios created hard feeling which it will take a long time to erase. Rating systems and underwriting requirements, said Mr. Street, have a great deal to do with the feeling of many agents that they are regarded as machines and their services are no longer properly appreciated. "There has been much simplification in this respect recently," he said, "and I hope to see the good work continue. These requirements, which many agents came to look upon as arbitrary, are largely due to what I believe to be strained construc-

(CONTINUED ON PAGE 43)

Convention Season Starts

National Association of Insurance Agents Will Start Ball Rolling Next Week at Detroit, Followed by Insurance Commissioners at Toronto

Starting next week will be the big fall convention season. The National Association of Insurance Agents opens the ball with its convention, which will be held in Detroit. Tuesday will be the opening day of the big meeting. The Iowa Association of Insurance Agents will hold its meeting at Fort Dodge, Thursday and Friday of this week. The National Convention of Insurance Commissioners will meet in Toronto at the Royal York hotel, the week of Sept. 16. The Association of Insurance Superintendents of the Canadian Provinces will open its meeting in the same hotel Sept. 13, closing Sept. 16. A large registration has already been made at Toronto. Next week the International Claim Association and the International Association of Insurance Counsel will hold their annual meetings at Hot Springs, Va.

Week of Sept. 23 Busy One

The week of Sept. 23 will be a busy one for the National Association of Life Underwriters with its convention at Washington, D. C. The Western Union will hold its 50th anniversary meeting at Old Point Comfort, having its banquet the evening of Sept. 23 and the business meeting starting the next day. The Blue Goose grand nest will hold forth at San Francisco starting Sept. 24. The Life Office Management Association will hold its annual meeting in Springfield, Mass., Sept. 24-26. The Vermont Association of Insurance Agents will have its annual meeting at Rutland, Sept. 25.

A number of fire prevention and safety experts of casualty companies are interested in the annual conclave of the National Safety Congress which will be held in Chicago starting Sept. 30.

Casualty Meetings Start Oct. 1

The week of Sept. 30 will be the big one for the casualty people. They hold their annual gathering at White Sulphur Springs Oct. 1-3. It is a joint meeting of the International Association of Casualty & Surety Underwriters and the National Association of Casualty & Surety Agents. The Western Insurance Bureau will hold its semi-annual meeting at Briar Cliff, N. Y., Oct. 1-3. The Insurance Advertising Conference has been making elaborate arrangements for its annual meeting at Cleveland, Oct. 6-8. The Missouri insurance people will establish Missouri Insurance Day this year at Jefferson City, Oct. 8. The Missouri Association of Insurance Agents will meet the day following. The Kansas Association of Insurance Agents will meet at Dodge City, Oct. 9-10. The Oklahoma Association of Insurance Agents will meet the week after the Kansas convention.

Many State Conventions On

The Indiana Association of Insurance Agents will meet at Muncie, Oct. 10-11. The Massachusetts Association of Insurance Agents is scheduled at Boston,

Oct. 23. The Illinois Association of Insurance Agents will meet at Rock Island, Oct. 10. The Tennessee Association of Insurance Agents will meet at Nashville, Oct. 31. The California agents will have their annual meeting at Oakland, Nov. 7-9.

The Industrial Insurers Conference, the weekly payment accident and health organization, will meet at Mobile, Nov. 12-14. The big week for the life insurance people in the west will be the annual meeting of the American Life Convention at Cincinnati, Oct. 14. The actuaries will hold a joint meeting at Toronto, Oct. 10-11, the Actuarial Society of America and American Institute of Actuaries joining hands for that important event. Therefore, the calendar will be full for the next two months in the way of conventions.

Agents to Have Big Meeting

The Book-Cadillac in Detroit has made about 1,000 advance reservations for the meeting of the National Association of Insurance Agents next week. A number of men will motor to Detroit from different cities. Vermont, with its record of 100 percent gain in membership, has already been conceded the membership cup while Pennsylvania, with a total of 407 new members, will win the prize for having made the largest increase numerically. New York state is endeavoring to secure 30 new members so that it can report a membership in excess of 1,000 at the Detroit convention.

There is much rivalry for the 1930 convention, the contestants being Richmond, Va., Dallas, Los Angeles, Minneapolis and Tulsa. From all accounts it looks like Percy H. Goodwin of San Diego, Cal., a member of the executive committee, will be elected chairman if he desires to have the office. Clyde B. Smith, the present chairman, will undoubtedly be hoisted to the presidency. In case Mr. Goodwin will not take the office, the other possibilities are Jay W. Rose of Buffalo and Charles L. Gandy of Birmingham. Fred M. Burton of Galveston, Tex., a former president of the Texas association, looms up in the offing as a future national president.

Secretary Walter H. Bennett of the National association left New York headquarters to be at the convention headquarters at the Book-Cadillac hotel, Detroit, arriving Thursday morning of this week.

Farewell Dinner to Shaw

A complimentary farewell dinner is being arranged for the field men of Indiana for W. M. Shaw for next Saturday evening. For many years Mr. Shaw was Indiana state agent of the Phoenix of Hartford and goes to the home office as general adjuster. Gus J. Daseke, Indiana state agent of the Connecticut Fire, has also succeeded to the state agency of the Phoenix.

Companies Lax in Observing Rules

Cut Corners in Order to Maintain Auto Fire Volume

REVISE FLEET RISK IDEA

Managers Feel that They Deserve Latitude Pending Adoption of Strong Reorganization Plan

NEW YORK, Sept. 4.—Complaints are being circulated here that some of the automobile fire companies are rather lax now in their observance of certain conference regulations. It may be that they feel they should have a little latitude pending the adoption of a strong reorganization program upon which a managerial committee has been at work for several months. Although considerable progress has been made, it is not likely that the plans will be completed for some time to come. In the best interests of the business, however, all existing conference rules should be closely adhered to and offices inclined to make special deals with field representatives to procure business may find themselves embarrassed when required to cancel such arrangements later on.

Hard to Maintain Volume

It is the natural desire of all companies at least to maintain steady premium incomes, but it is not an easy thing to do in the light of the constantly falling average fire rate. Managers have, therefore, been turning more and more attention to their automobile departments and some apparently have been none too particular as to how the business was obtained.

The committee of 15 is still earnestly seeking to draft a program for the reorganization of the National Automobile Underwriters Conference that will induce the adherence of virtually all stock companies writing automobile business. While the difficulties encountered have been neither few nor minor, the majority have been overcome and with every prospect that the issues still awaiting solution will likewise be disposed of.

Fleet Risk Company Revived

The idea of forming a separate insurance company by the associated offices for handling fleet risks, advanced two or three years ago, only to be discarded, is again under review, though along somewhat modified lines, and the indications are that such a corporation will be formed, though this is by no means certain.

The reorganization committee is to meet sometime this month, though the exact date has not yet been set. When this is done the work of the committee will be taken up with renewed zest and the data and conclusions reached by the several sub-committees to which the study of particular phases of the general problem was referred will be analyzed and an effort made to blend these into a well-rounded whole.

Opens Lexington Office

The Western Adjustment announces the opening of an office at Lexington, Ky., in charge of C. A. Smith, resident adjuster, formerly attached to the Louisville staff.

"The best of all" is what readers say of *The Casualty Insurer*, monthly, \$2 a year, 175 West Jackson boulevard, Chicago.

Financial End Important in Insurance Companies

NEW YORK, Sept. 4.—As time goes on the financial side of insurance companies becomes more important. Today there is widespread interest in the buying and selling of insurance stocks all over the country on part of many who are engaged in the business, salaried officials and employees, brokers and agents. The prosperous agent today owns some insurance stocks. He is watching the market carefully. The authorities on finance throughout the east agree that the purchase of well-managed insurance company stocks is a first-class investment. Investment houses are now appreciating the value of stocks of companies that are well managed.

Basis of Investment Trust

This is seen in the fact that in the formation of investment trusts, insurance stocks are included. In fact, a number of trusts have been created which are solely made up of insurance stocks. There are concerns that are dealing exclusively in insurance shares. So long as the investment market is fairly steady the insurance companies will have the opportunity of making good earnings in their banking business. In fact, this has become now one of the prime factors in an insurance company's operations. There are some companies that have lost money on their trade operations and yet are able to make a good showing because of their financial sagacity.

Companies that have arranged to sell stock to local agents say that they are particularly gratified with the result. Agents holding stocks of companies undoubtedly are favoring such offices. They feel that they have a participating interest, even if a small one, in the annual earnings. The fact that the agents of the Hanover subscribed for twice the issue to which they were entitled according to the recent financing plans shows the demand on part of men out on the firing line for high grade insurance investments. A number of insurance stocks could be selected for a long pull on which no mistake could be made.

While the earnings on the investment at present may not be attractive, financial men take the ground that in buying

insurance stocks the investor has his eye on the future rather than the present. Some stocks may not earn over 2 or 2½ percent on the present market value. Yet undoubtedly these companies, if prosperity continues, will declare stock dividends or will give stockholders the right to purchase stock on favorable terms. All this has to be taken into consideration.

Fortunately, during the last two years companies have been able to make a profit on their insurance operations. While the directors naturally are looking to the investment market as the main source of profit, undoubtedly they will insist that the underwriting department give a good account of itself.

Considering Agency Buyers

It is stated here that companies that heretofore have not made any special effort to interest their agents in purchasing their shares are now considering the advisability of allowing agents to come in on future increases in capital. Where companies have evolved an installment paying plan and have given agents the opportunity to buy on favorable terms the results have been most gratifying. Many companies believe that this will be a plan that will have to be reckoned with in the future. While in years gone by but few agents owned insurance stocks, today they are vitally interested in the proposition and when an opportunity is offered they do not hesitate to purchase as much as they can afford to buy.

Edward W. Van Buren

Edward W. Van Buren has been appointed special agent of the Home Fire & Marine and Occidental in central and western New York, succeeding R. C. Parker, who will give all his attention to the Fireman's Fund. Mr. Van Buren was formerly an inspector with the New York State Fire Insurance Rating Organization and left that position to become special agent of the American Central in central New York. Then he went with the Milwaukee Mechanics as state agent with headquarters at Rochester. His father was a local agent at Medina and he has two brothers who are field men.

CONDENSED NEWS OF WEEK

Charles R. Street answers agents' criticisms at Fort Dodge meeting of Iowa association. **Page 3**

Plans are made for 50th anniversary banquet of the Western Union. **Page 5**

Much mystery is maintained in regard to Goldman-Sachs connection with companies on Pacific Coast. **Page 13**

Western departments burdened with much extra work following settlement of rate litigation. **Page 8**

Some fire company executives predict that fire companies owned and operated by local agents will be launched. **Page 4**

B. L. Hewett to become sole western manager for Boston and Old Colony. **Page 11**

Charge made that certain automobile writing companies are lax in observing conference rules. **Page 4**

Much interest manifested in meeting of Eastern Underwriters Association on New Jersey situation. **Page 5**

Horace V. Chapman, advertising manager of the Ohio Farmers Fire, has been appointed general chairman of the national convention of the advertising conference in Cleveland, Oct. 6-9. **Page 16**

Many conventions are scheduled for the next two months. **Page 3**

St. Louis Fire Underwriters Association waives flat 35 cent charge for obtaining endorsements in rate refund and companies begin work of repaying money. **Page 16**

Glens Falls in selling 30,000 shares of new issue of stock to agents on favorable terms required a certain volume of business and a maximum loss ratio was set. **Page 6**

New liability rates for Massachusetts under the compulsory law show an increase of about 3 percent. **Page 35**

Business Men's Assurance of Kansas City, Mo., writing life, accident and health insurance, intends to organize first a casualty company and then a fire company. **Page 35**

General Casualty of Seattle is now arranging to enter a number of new states. **Page 36**

Protest made on increase in Massachusetts automobile liability rates. **Page 36**

Suits have been filed in Indiana against policyholders of the defunct William Penn Motor Indemnity Exchange, a reciprocal, to collect assessments. **Page 35**

Southern Surety ordered to cancel policies under unusual arrangement with oil companies following joint commissioners' hearing in St. Louis. **Page 35**

Local Agencies Back Companies

Officials Predict That More Institutions of This Kind Will Be Started

SOME NOW ESTABLISHED

Appeal Will Be Made to the Producers in All Sections of the Country

NEW YORK, Sept. 4.—In the opinion of an observant fire executive a development of the business during the next two or three years will be the launching of companies owned and operated by local agents in various sections. Organizations of this character have already been formed at Kansas City and Louisville. If these prove anything like the success anticipated by their promoters, the example thus set will be largely followed by others, in the view of company men.

Plan of the Organization

The basic plan apparently is for a local agent controlling a considerable volume of business, and especially if it has proven uniformly profitable, to approach one or more of the long established companies in his agency suggesting an automatic reinsurance arrangement, under the terms of which the net liability of the direct writing office will be very limited, while it will have funds for banking purposes and at the same time get a nice overhead upon its ceded lines, and a contingent upon the net profits.

Glad to Make Connections

The scheme is not a new one, though thus far it has not been worked to any particular degree by purely local agents. Companies have been formed by home capital, making their appeal to state pride and hoping that in the course of time the institutions would prove sufficiently strong to venture farther afield. Pending such time arrangements are effected with one of the strong corporations usually, for the automatic assumption of anywhere from 50 to 75 percent of the business written. Outside companies are usually glad to enter into arrangements of this character, anticipating they will gain thereby a quality and quantity of business not otherwise easily procurable.

Gets the Assured Interested

A local agent launching a new company usually goes to his large assureds, interests them in his venture and if the assured has properties scattered at various points, induces them to demand a policy in the new organization from each of the local men. These latter in turn, it is figured, will seek the agency of the new entrant in order to please the assured. The further program is understood to be, that they then will be told they can have such representation providing they buy a small block of its stock. The scheme is a pretty one, providing it works according to Hoyle, but whatever the outcome the company official sponsoring the tale is very confident that it will be tried out in a number of centers within the next 24 months.

Sale Rumor Is Denied

Frank J. Bock, president of the Sussex Fire, Essex Fire, Ajax Fire and Essex Fidelity & Plate Glass of Newark, denies the report recently published that these companies are to be sold to one of the large fleets.

Western Union's Golden Jubilee Plans Announced

Plans are now being made for the meeting of the Western Union at Old Point Comfort which will start with the anniversary banquet the evening of Sept. 23. The Western Union this year is celebrating its 50th anniversary and is making something of this important milestone in its career. The organization has weathered the storms of a half century in a very successful way. The banquet will be a brilliant affair. The attendance this year undoubtedly will be larger than usual because of the prominence given to the event.

Invitations Extended

The Western Union officers are sending engraved invitations to members and to officials of companies that are represented in the Union but are not personally members. In addition many who have been affiliated with the organization in the past, or whose companies are still in the Western Union are being invited. Recognition is thus being given to the fraternity that has been allied with the Western Union or is still connected with it.

Thomas to Be Toastmaster

President W. B. Flickinger at the banquet will open the proceedings with a few remarks introducing the toastmaster, John M. Thomas, vice-president of the Fire Association, who is a former president of the Western Union. Mr. Thomas is known for his ease, dignity and sprightliness in presiding at banquets.

The main speaker will be Chester Leasure of Washington, D. C., who is manager of the resolutions and referendum department of the United States Chamber of Commerce. He will speak on "The Business of Getting Together." Mr. Leasure is known as an authority on business cooperation.

Tuttle to Give Personal Touch

Charles R. Tuttle of Chicago, western manager of the North America and former president of the Western Union, will give a biographical journey dealing with prominent individuals who have been identified with the Western Union but who are now dead. Mr. Tuttle has been giving much thought to this subject and has consulted a number of people who were in touch with these eminent personalities in the past.

John F. Stafford of the Sun will provide some moving pictures largely centering about Union members. Some of these he took himself and others were taken by the late E. B. Hatch on different occasions.

The arrangements for the banquet are being made by the standing committee of arrangements of the Western Union consisting of A. F. Powrie, Fire Association, chairman; C. A. Ludlum, Home of New York; John F. Stafford, Sun;

W. P. Robertson, Alliance; Elwin W. Law, Royal.

A report of the achievements of the Union in which will be given the high spots along the way is being prepared jointly by a special committee consisting of John C. Harding, Springfield, chairman; J. R. Wilbur, America Fore; R. P. Barbour, Northern of England, and the standing public relations committee of which Mr. Harding is chairman, the other members being F. R. Bigelow, St. Paul F. & M.; F. P. Hamilton, Queen; C. F. Shallcross, Royal, and W. P. Robertson, Alliance. This report will deal in a general way with the historical aspects of the Union's accomplishments. It will center the attention of the fraternity on the highlights of the organization.

Local agents and, in fact, all in the business, because of the 50th anniversary of this notable organization, are finding much interest in looking back over the years and recalling some of its remarkable achievements.

The Western Union came into being at a time of turmoil and stress in insurance, when rates were in a demoralized state, when the business was subject to cut-throat methods, when competition was most severe and when the field in general was decidedly troubled. The pioneers in the movement saw that cooperation could restore order. Since Sept. 23, 1879, much has been done by the Western Union for the benefit of insurance as a whole in the central west. The Western Union has been compelled to literally fight its way at times through decided opposition. Naturally an organization that attempted to do things to bring about uniformity and check undue liberality drew fire.

Uniformity Brought About

The results of the Western Union activities have been uniformity in underwriting practice and rules. It therefore has reduced waste. It has brought out a similarity in the way of doing things. It has effected cooperation in the adjustment of losses. It was largely responsible for the establishment of the Underwriters Laboratories and its maintenance. It has stabilized and improved risk underwriting. It has done much to improve electric wiring. It has done everything in its power to encourage fire prevention, it now having a regular fire prevention department. Perhaps its greatest achievement was the adoption of the analytic system of rating which introduced the principle of relativity, thus removing discrimination and putting all assureds on the same basis. In fact it made the owner of property his own rate maker. By giving credits for improvements and adding penalties for extra hazards it did very much to improve the character of risks.

The Western Union saw the desirability of having a uniform and consistent

(CONTINUED ON PAGE 41)

To Give Toasts



JOHN M. THOMAS

John M. Thomas of Philadelphia, vice-president of the Fire Association, will act as toastmaster at the 50th anniversary banquet of the Western Union to be held at Old Point Comfort, Va., Sept. 23. Mr. Thomas served as president of the organization and is one of the most popular men in the business.

Topics for Discussion at Fire Group Meeting

Harold E. Taylor, chairman of the program committee of the fire group of the Insurance Advertising Conference, announces the program for the first session of the group in Cleveland. The second session will be executive. The topics to be discussed are:

What are you doing with the agent's widow?

A mail campaign from the company direct to the prospect.

Are there any new ways to interest agents in the special lines?

Getting the special agent's help in interesting local agents in the work of the advertising department.

What is your method of bringing your material to the attention of the proper individual in the agency?

House organs—why and how?

Are the companies putting out too many pieces of printed advertising material?

Cooperation in suppressing "Charity Advertising."

Cannot three or four standard page sizes be adopted by insurance trade papers?

Meserole Gets Promotion

LOUISVILLE, KY., Sept. 4.—Excellent work by R. O. Meserole, state agent for the Crum & Forster group in Kentucky, has resulted in his being recalled to the New York office, with which he was connected prior to coming to Louisville. Mr. Meserole was elected president of the Kentucky Bureau Field Club at its meeting last year and reelected at the annual meeting this year. Henry Haynes, agency superintendent from the Atlanta office, will come to Louisville to take charge here on a temporary basis until a new state agent is employed.

Not Under Alabama Retaliatory Law

Fire insurance companies are not within the provisions of the retaliatory laws of Alabama, according to an opinion given this week by Attorney General C. C. McCall.

Much Interest in the Meeting

Forthcoming Gathering of Eastern Underwriters' Association Will Be Important

MANY QUESTIONS ARE UP

New Jersey Situation Will Be Reviewed—Conditions in the Excepted Cities Will Be Discussed

NEW YORK, Sept. 4.—When the Eastern Underwriters association meets on Sept. 12 its members will have a number of matters of high concern to occupy their attention. While the program has not been announced, it is taken for granted that the New Jersey situation will come up for extended review. Reports will also, it is assumed, be made from each of the committees dealing with the excepted cities of Boston, Baltimore, Philadelphia and Pittsburgh. During the past week sessions have been held by both the Baltimore and the New Jersey committees. Whether action will be taken as respects any of the cities is a question. The committees apparently reach a point of agreement with the local men, when the latter raise some new question, thereby throwing a monkey wrench into the machinery and compelling its general recasting.

Philadelphia and Pittsburgh

The situations in Philadelphia and Pittsburgh seem particularly hard to adjust. The multitudes of agents of three important companies in and about the former city and the hundreds of non-policy agents in Allegheny county provide hurdles thus far that the E.U.A. representatives have been unable to surmount. The executive of one of the leading company writers in Pittsburgh holds strongly to his non-policy-writing agents, declaring that the class of business received from them has proven more profitable than that secured through the recording agencies, and for that reason is standing firm for continuance of existing arrangements.

Action in New Jersey

As an inducement for agents in New Jersey to seek additional insurance upon lines they control the E. U. A. advanced its commission scale anywhere from 5 to 10 percent according to the risk classification, for use of the coinsurance clause. While happy to be accorded the increased figure the local men were not at all pleased to have it contingent upon the application of the coinsurance feature, declaring that the assureds of the state in the main are not in favor of the requirement. Many banks, trust companies and building and loan associations flatly refuse to accept such coverage, maintaining that they are interested only in seeing that properties were insured to the extent of the loaning interest. They are indifferent as to whether further indemnity is carried or not. This attitude on the part of the New Jersey financial interests differs radically from that of the banking houses in New York, virtually all of which have for years accepted the coinsurance clause requirement, unquestionably feeling doubtless that the larger the indemnity carried the more secure was their mortgage interest.

Position of New Jersey Assured

The position of the New Jersey assured in the matter, whatever it cause exists and in very large degree, a fact made clear to the New Jersey committee

(CONTINUED ON PAGE 43)

Fire Prevention Rally Called for Kewanee, Ill.

H. M. Zimmer, Illinois state agent of the Home of New York and president of the Illinois Fire Prevention Association, announces that there will be an important meeting of the association at Kewanee next Tuesday. It will be under the auspices of the Rotary Club. President Zimmer emphasizes the necessity of field men being present at this opening fall meeting. T. Alfred Fleming of the National Board in New York City, Leo H. Lowe, Illinois director of trade and commerce, and S. L. Legreid, Illinois state fire marshal, will be speakers. A noonday luncheon will be held. A number of organizations in the city are cooperating to make the town inspection and meeting a success.

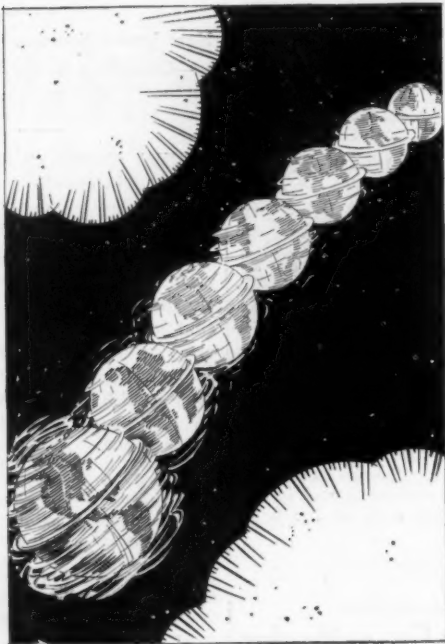
Louisville Board Plans a School of Instruction

LOUISVILLE, Sept. 4.—The Louisville Board is arranging to start classes about the middle of September for giving instruction to solicitors, younger members and others who may be interested, the course embodying discussion of rules, rating, provisions of the standard fire policy, or contract, special lines and riders, and better methods of underwriting.

The classes will be held twice a week.

The speakers or instructors will be recruited from the attorneys who specialize in insurance; adjusters, especially familiar with certain lines, some of the outstanding agents and perhaps some of the field men, and actuarial bureau department heads.

The Distinctiveness of the Trinity Fire Is Primarily Attributable to its Modern Conception of Fire Insurance



**IN THE
MODERN TEMPO**

**These are not the good OLD
days — these are the good
NEW days. A NEW day com-
pany is needed to serve
properly the NEW
day demand.**

Cash Capital one million dollars



VIEWED FROM NEW YORK

By GEORGE A. WATSON

SHELTEMA TO COME AGAIN

J. F. D. Sheltema, general manager at the home office of the Netherlands, is expected to be in New York and Chicago some time the later part of the month. He was here in June. Mr. Sheltema will go over the future policy of his company very carefully.

OLD DOMINION LICENSED

The Old Dominion Fire of Roanoke, Va., has been licensed in New York. It has \$1,000,000 capital and \$340,617 net surplus. C. D. M. Showalter is secretary and manager.

ENTER AIRCRAFT FIELD

The Hartford Fire and the Hartford Accident & Indemnity have entered the aircraft field through arrangements with the United States Aviation Underwriters, 80 John street, New York City. The United States Aviation Underwriters is manager for the United States aircraft insurance group with David C. Beebe in charge. The companies in this group are the United States Fire, North River, Pacific Fire, National Union Fire, Globe & Rutgers, United States Fidelity & Guaranty, New Amsterdam Casualty, Maryland Casualty and New York Indemnity.

INSURANCE STOCK MARKET

For the fourth successive week, Gilbert Elliott & Co. of New York City, announce in their investment bulletin, "the insurance stock average rose to new levels. While trading in this group was somewhat less active due to the triple holiday, inquiries were almost entirely from buyers and the market was distinctly bullish. The Boston was easily the feature, with the price advancing from 940 to a high of 1100, equivalent to 1650 on the old stock prior to the 50 percent stock dividend late in 1928. The Boston is said to have made handsome profits on its holdings of bank stocks both in New York and Boston issues since the first of the year.

"Hartford stocks as a group were strong, with Aetna Fire climbing from 760 to 800; Aetna Life from 1350 to 1375, while Hartford Fire rose 10 points.

"City of New York added to its recent gains and Maryland Casualty was also in better demand, closing up 5 points. Continued accumulation of Providence Washington was apparent, with the price climbing steadily to a close of 1005, a new high for the current move. Home of New York issues moved steadily forward, while the National Liberty issues were active around their best levels of the preceding week."

CRISFIELD GOES ABROAD

F. I. Crisfield, general adjuster of the Liverpool & London & Globe, is sailing with his daughter this week for an extended vacation in England and on the continent.

ENTER INLAND MARINE FIELD

The four members of the Frelinghuysen group, the Stuyvesant, American Home, American Constitution and Industrial, are entering the inland marine field, having opened a department under the management of James & Whitlock of New York. The companies will now write through this office aircraft, property damage, all risk jewelry and fur floaters, installment payments, fine arts, horse and wagon floaters, motor cargo,

WANTED: Adjuster for Chicago. Experienced Supervisor, automobile claims department, for rapidly growing organization. Must be capable of directing, handle correspondence and maintain friendly relationship with company, agencies and assureds. Correspondence treated confidentially. Address N-35, The National Underwriter.

musical instruments, parcel post, tourist floaters, samples, and other floater and transportation lines.

SECURITIES STOCK ACTIVE

Insurance Securities Company stock is active and those on the inside predict some new developments. Application will be made to list the stock on the New York Stock Exchange. Furthermore, it is reported here on seemingly reliable information that the Insurance Securities Company intends to purchase another fire company or two. It is the holding company for the Union Indemnity fleet.

HOME OFFICES MOVED

The Importers & Exporters and the Mohawk Fire have moved their home offices to 111 John street, New York, occupying the 20th and 21st floors. The metropolitan office in charge of H. D. Richard has moved to the ground floor.

COMPANY NEWS

STOCK PLAN OF GLENS FALLS

**Agents in Purchasing Shares Must
Show Certain Results in Volume
and Loss Ratio**

During three weeks of last month the Glens Falls sold to its agents 30,000 shares of its new issue of capital stock at \$50 a share. This may not seem remarkable when it is considered that the current market price of the Glens Falls is around \$65, but the stock is to be paid for over a period of five years and is not to be delivered until the end of that time. The agents who have subscribed will only get their stock if at the end of five years they have produced a guaranteed amount of premiums for the Glens Falls at a stipulated loss ratio. Thus, while the Glens Falls agents subscribing for the stock got a bargain they will never receive their stock unless the results of their agency are up to figures agreed upon by them and the company at the time the subscriptions were made. As an illustration, an agent may agree to give the company \$10,000 a year in premiums. If so, he is entitled to subscribe to 50 shares of stock at \$50 a share, but the loss ratio must not exceed 52 percent over a five-year period. During the time that the stock is being paid for, however, he must pay 6 percent interest on the unpaid balance. If the stock is not delivered at the end of a five-year period the principal and interest paid by the agent is to be returned.

This is an entirely new wrinkle so far as the sale of stock to agents is concerned. Some companies in the past have had what they referred to as an "agent's price," but the sale of stock to agents has never before been coupled up with a guarantee, both as to premium income and loss ratio. That the plan is a workable one is demonstrated by the fact that the Glens Falls disposed of 30,000 shares in slightly less than three weeks' time and that many agents who were not allotted stock are expressing disappointment at their inability to buy, even though they understand clearly that the plan would have required them to produce a reasonable volume of business at a satisfactory loss ratio.

Officials of other companies who have become familiar with the plan have shown considerable interest in it, feeling that in the future it may not be necessary for them to dispose of their stock to agents at low prices unless the agents wishing to buy are willing to guarantee a reasonable premium income at a stipulated loss ratio.

A FIRE hazard in any building is dangerous. But there is added seriousness to fire hazards in hospitals, orphanages, insane asylums and buildings of similar occupancy because of the great loss of life which might occur as the result of the inability of many of the patients and inmates to take care of themselves in case of fire.

The White Fireman long ago recognized the vital necessity of improving conditions in such buildings. For more than twenty years he has devoted special attention to hospital protection.

He has analyzed the conditions which have been responsible for practically every hospital disaster in the United States and Canada, and has caused wide circulation to be given to the reports of his findings to the end that similar conditions might be guarded against.

He has inspected hundreds of hospital buildings with a view to determining how they might be made safer. Upon his recommendations, hospitals have installed better fire protection equipment, have equipped buildings or vital parts of buildings with sprinklers, have provided adequate

exits, have inaugurated systems of fire drills, have provided safer storage for the dangerous nitro-cellulose X-ray film and chemicals, have adopted the use of safety film of cellulose acetate stock for X-ray purposes, and have taken many other important measures looking to the greater protection of life.

Were it not for the fact that so many hospitals and institutions have followed the advice of the White Fireman it is probable that catastrophes in which fire deals death to helpless people would occur with greater frequency.

The White Fireman's
part in making
hospitals safer

WHO is the White Fireman? He is used in this advertising to symbolize loss-prevention engineering service—a nation-wide service, supported by insurance companies, having for its purpose the reduction of loss-hazards. Consultation on proposed structures, inspection of property, testing of materials and equipment, and many other kinds of technical assistance comprise the work of this service. Ask your North America Agent.

North America Agents are listed in the Insurance sections of classified telephone directories under "INSURANCE CO. OF NORTH AMERICA."

Insurance Company of North America
PHILADELPHIA
and
Indemnity Ins. Co. of North America
write practically every form of insurance except life
The Oldest American Fire and Marine Insurance Company—Founded 1796

Property Owners may Secure Loss-prevention Service through Responsible Insurance Agents or Brokers

[[The advertisement reproduced above appears in full-page space, two colors, in The Saturday Evening Post, September 14; The Literary Digest, September 21; The Golden Book, Review of Reviews and World's Work for October.]]

The best advertisement is that which strikes cleanest and closest to the heart of public interest—what people are feeling, thinking, wanting.

In the realm of fire-prevention, there was—and is—one big question born simultaneously in thousands of minds after that recent catastrophe—"What about our other hospitals—are they safe?"

The White Fireman answers this question in the current national advertisement of the Insurance Company of North America. He points out what precautions are being taken to eliminate fire and explosion perils from hospitals and similar institutions.

People of all classes are interested in this advertisement because it concerns itself directly with them and their safety. Once again they have recognized the White Fireman as a friendly protector—one more step-up of public appreciation of the insurance business and especially of the men of North America.



WHO does not know of Cupid, the small but mighty god of love, who, when the time seems ripe, wings his love dart into a new victim? Although often represented as blind his percentage of hits rather disproves this common conception. He always aims straight for the heart . . . and seldom misses.

TO AIM at the heart of things is always an excellent plan. Yet often it means missing a great deal. There are many other phases of insurance than the heart, which may well be called Fire Insurance. These are the all-important and so-called special lines. The Home Special Agent realizes that everyone is not a prospect for Riot and Civil Commotion, Earthquake, Business Interruption, Rent or Inland Marine, but he has the details at his fingertips, ready to pass on this information to you, when you need it.

The HOME

Wilfred Kurth, President



NEW YORK

Cash Capital—\$18,000,000

Companies Burdened by Many Requirements

KANSAS CATEGORY EXTENSIVE

Over 400 Questions Are Asked by the
State's Attorneys in Rate
Litigation

Companies operating in Western Union territory are now in the position of the mythical Atlas holding a mighty burden on their backs. They are endeavoring to answer the questions brought out in cross examination by the attorneys for Kansas in the rate litigation. The companies' attorney propounded 27 questions for executives to answer and about that many for the accountants. On the cross examination the opposing attorneys submit 257 questions for accountants and 202 questions for executives running back into statistics as far as 1911. In addition to Kansas experience on various classes the experience in all states is required to be given.

Burden Is Heavy

The burden of getting out these statistics and the information desired is monumental. The questions submitted occupy a book in themselves with the blanks that accompany them for the answers. Ratios of all kinds are required, underwriting experience has to be shown and various other items are intended to be brought out in the answers. Some companies have had employees working for weeks endeavoring to get the information desired. This has to be in the hands of the attorneys shortly after the middle of September.

Extra Work Is Required

Some companies have put on extra help to get out the information. Others have paid their office force that is familiar with the books and records additional wages to work in the evenings to produce the information. The Kansas quiz coming in connection with the refunds that had to be made to Kentucky policyholders and now Missouri policyholders entails a vast amount of labor on offices during the vacation season. Some of the information required in Kansas has been almost impossible to get. The immense detail required in the Kansas, Kentucky and Missouri demands have taxed offices to their utmost.

MUCH EXTRA WORK INVOLVED

NEW YORK, Sept. 4.—Fire executives and their accountancy staffs are working overtime just now in an endeavor to answer fully the several hundred questions propounded by United States district court at Topeka in connection with its review of the Kansas rate litigation. Separate questionnaires are directed to the chief accountants, while others must be replied to by an executive officer. To secure the data called for requires a searching of office records for the past 18 years, not only in so far as Kansas is concerned, but that of every other state in which the companies have been writing in order to determine how the commissions paid in Kansas compare with those allowed in other states. Companies are further asked to place a valuation upon their Kansas agency plants. To supply the mass of material requested has necessitated taking clerks off their usual work and having them concentrate on compiling the data.

One user of the "Time Saver" says, "I did not know how many cases the book enabled me to close until I was without it for a few weeks." If you do not own one you are missing a great "helper" in your accident and health business. Gives analysis of contracts of 90 companies. Price \$3. Write to The National Underwriter Company, 420 East Fourth street, Cincinnati, O.

"Tested Methods"—No. 10



(P & A Photo)

"Is that so?"

JACK McCARTHY was hard-boiled. He was scoffing now at Henry Hanson, Glens Falls Agent, with whom he was talking as they watched a biplane overhead.

"Is that so?" snorted McCarthy, dismissing with a gesture the idea that an airplane might crack up on a city street, or a housetop. "There's too much vacant land in a country of three and one-half million square miles for *that* to happen."

Bellvue was on an air-mail, passenger route and McCarthy was the largest property owner in town. Planes flew over his buildings every day. Yet Hanson, with all his sales ability, had not been able to sell him Aircraft Damage Insurance.

But the agent kept his eyes open. One day his out-of-town newspaper carried the picture at the top of this page. In a very few minutes Hanson was showing it to McCarthy. "Now, Mac," he said, "argue against that."

"Can't," admitted the hard-boiled one. "I guess airplanes do sometimes fall and hit things, and if one of 'em can pick out a moving automobile, my houses and factory certainly couldn't dodge it. Write the insurance and I'll send you a check. I guess it's worth the money."

MORAL: *With men as with aircraft—the bigger they are the harder they fall.*

"The Glens Falls Fleet"

<p>Glens Falls INSURANCE COMPANY Glens Falls, New York</p>	<p>COMMERCE INSURANCE COMPANY Glens Falls, New York</p>	<p>Glens Falls INDEMNITY COMPANY Glens Falls, New York</p>
<p>CHICAGO BRANCH OFFICE 175 West Jackson Boulevard</p>	<p>NEW YORK BRANCH OFFICE 94 William Street</p>	<p>SAN FRANCISCO BRANCH OFFICE 354 Pine Street</p>

CHANGES IN THE FIELD

SHIFTS IN FIREMEN'S GROUP

Northern Illinois Vacancy Is Filled by Transferring C. P. Philippi from His Minnesota Work

C. P. Philippi, Minnesota state agent for the Superior and Concordia, is transferred to northern Illinois for the Firemen's Keystone Underwriters and Pittsburgh Underwriters to succeed Frank E. Chadwick, who was formerly state agent in northern Illinois for the three companies but who was transferred to represent the Firemen's group in California territory. Mr. Philippi will have his headquarters at Rockford. In taking care of Mr. Philippi's field in Minnesota, Philip Olson, state agent for the National Ben Franklin and Mechanics, takes over also the supervision of the Concordia. G. D. Van Wagenen, state agent for the Firemen's, Girard, and Keystone Underwriters in Minnesota, takes also the Superior.

NORTH AMERICA PROMOTIONS

J. F. Rogers Takes Charge of Eastern Michigan and W. C. Lincoln Is Given Northern Indiana

Following the resignation of E. P. Rogers, state agent of the North America in eastern Michigan, some important changes have been made. Mr. Rogers is leaving to go to Virginia to take charge of the estate of a brother-in-law who owned something like 1,000 acres of land. He is succeeded by J. F. Rogers, who was formerly an examiner in the western department and has been special agent of the Alliance in Michigan and Indiana. He now becomes state agent of the North America, Philadelphia Fire & Marine, Alliance and National Security for eastern Michigan with headquarters in Detroit. E. W. Porep, state agent of the North America and Philadelphia F. & M. for western Michigan, is now also given the Alliance in

his territory, continuing his headquarters at Grand Rapids.

W. C. Lincoln of Indianapolis, who has been special agent for all the North America fleet in the state, goes to South Bend to become state agent of the North America and Alliance in northern Indiana.

William L. Chase

William L. Chase has been appointed special agent of the marine department of the North America for Iowa, Nebraska, Wyoming, Colorado and New Mexico. He will be located at 316 South 10th street, Omaha, Neb.

Eugene Morris

The American of Newark has employed Eugene Morris of Richmond, Ind., as special agent in the farm department, assisting Farm Department State Agent L. D. McConnell.

Verner Kline

Verner Kline, for 25 years with the Niagara, including 15 years in the Kentucky field and 10 years as assistant secretary in the New York office, has returned to Kentucky to take up field work as special agent, representing the Niagara, Niagara-Detroit Underwriters

and Maryland. He succeeds W. B. Respass, resigned. Mr. Respass has been in the field for the Niagara since Mr. Kline was called to New York. Mr. Kline will have his office at 1345 Starks building, Louisville, in quarters adjoining those of the America Fore group.

J. A. Duffy

J. A. Duffy has been appointed Iowa state agent for the Columbia Fire Underwriters Agency of Omaha. He succeeds the late D. L. McCarthy. Mr. Duffy has been Iowa special agent for the National Union for some time. He will continue his headquarters in Des Moines.

Joseph Kasas and Wm. Chapman

The National Union Fire has appointed Joseph Kasas special agent for northeastern Pennsylvania, and William Chapman special agent in the Philadelphia suburban field. Mr. Kasas, who replaces Wesley R. Carlson, resigned, has established headquarters at Williamsport. Mr. Chapman will travel out of Philadelphia.

A. H. Steffens, Jr.

Following the recent resignation of W. S. Lent, associated with A. H. Steffens, Jr., for some years past in traveling eastern Pennsylvania and New Jersey for the London Assurance, the territory will be supervised solely by Mr. Steffens, who will continue to make headquarters in Philadelphia.

W. M. Eberle

W. M. Eberle, Nebraska state agent of the North America and Philadelphia Fire & Marine, has resigned to go into the general agency business at Oklahoma City.

Charles W. Smith

Charles W. Smith, special agent of the American in Kansas, has resigned.

Convention Dates

Sept. 5-6—Iowa Agents, Fort Dodge.
Sept. 9—Michigan Agents, Detroit.
Sept. 9-11—International Claim Association, Hot Springs, Va.
Sept. 10-13—National Association of Insurance Agents, Detroit.
Sept. 17-19—Insurance Commissioners Convention, Toronto.
Sept. 19—New Jersey Agents, Jersey City.
Sept. 23-25—Western Union, Old Point Comfort, Va.
Sept. 24-26—Blue Goose Grand Nest, San Francisco, Cal.
Sept. 25—Vermont Agents, Rutland.
Sept. 30-Oct. 5—National Safety Congress, Chicago.
Oct. 9-10—Kansas Agents, Dodge City.
Oct. 1—Kansas Bureau Field Men, Topeka.
Oct. 1-3—Casualty Conventions, White Sulphur Springs.
Oct. 1-3—Western Insurance Bureau, Briar Cliff, N. Y.
Oct. 6-8—Insurance Advertising Conference, Cleveland.
Oct. 8—Missouri Insurance Day, Jefferson City.
Oct. 9—Missouri Agents, Jefferson City.
Oct. 10—Illinois Agents, Rock Island.
Oct. 10-11—Indiana Agents, Muncie.
Oct. 23—Massachusetts Agents, Boston.
Oct. 31-Nov. 1—Tennessee Agents, Nashville.
Nov. 7-9—California Agents, Oakland.
Nov. 12-14—Industrial Insurers Conference, Mobile, Ala.
May 12, 1930—National Fire Protection Association, Atlantic City.

Canadian Notes

Among the new companies licensed in British Columbia is the Lumbermen's, to write fire insurance.

The Canadian General has been admitted to membership in the fire branch of the British Columbia Insurance Underwriters Association.

A man's faith is the measure of what he will become, both here and in the hereafter.

INCORPORATED 1799

PROVIDENCE WASHINGTON INSURANCE COMPANY

of Providence, R. I.

Capital, \$3,000,000

Net Surplus, \$12,580,410

INCORPORATED 1832

VIRGINIA FIRE AND MARINE INSURANCE COMPANY

Richmond, Va.

Capital, \$500,000

Net Surplus, \$1,325,921

INCORPORATED 1928

ANCHOR INSURANCE COMPANY

Providence, R. I.

OWNED AND OPERATED BY THE
PROVIDENCE WASHINGTON INSURANCE CO.

Capital, \$500,000

Net Surplus, \$818,557

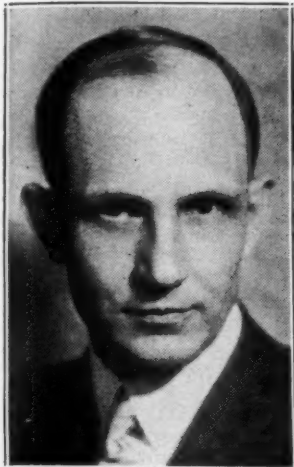
WESTERN DEPARTMENT

175 W. JACKSON BLVD.

CHICAGO

J. R. CASHEL, Manager

Reappointed



JOSEPH B. THOMPSON

Governor Caulfield of Missouri has reappointed Joseph B. Thompson of Kansas City as superintendent of insurance for a four-year term ending July 1, 1933, or until his successor is named. Mr. Thompson was named superintendent last March to fill the unexpired term of Ben C. Hyde, who had resigned because of ill health.

Governor Caulfield delayed renaming Mr. Thompson until the effective date of the act which increased the salary of the superintendent from \$3,000 to \$6,000 a year. All fees heretofore collected by the superintendent for receiverships, services on boards in connection with reinsurance deals, mergers, etc., now go into the state treasury. For the past seven or eight years the \$3,000 salary plus his personal fees has netted the Missouri superintendent from \$5,000 to \$6,000 a year.

Missouri Gets Data on School Losses

With a view of compiling as complete a record as possible of public school fires and losses in the state over a period of time to support the oft-made assertion that "the average public school is a fire trap," and to better enable the committee to undertake a piece of constructive work, Chairman O. H. Mann of the public buildings committee of the Missouri State Fire Prevention Association has circularized the members on the subject.

In addition to the actual property loss involved, the committee desires to bring out in an analysis or tabulation of the record the consequential loss to the community, as follows: the uninsured loss directly reflected upon the taxpayers; the interruption to educational functions as a result of the fires, and the duration of the interruption; the burden of rebuilding or replacing damaged or destroyed buildings, (1) either by use of current funds which might otherwise be used for other buildings, or for expansion projects, (2) or by voting bonds upon the school district.

A questionnaire accompanies the circular sent the members of the association, information on the subject for the past five years, if available, being sought, as also information regarding school house fires in the state coming hereafter to a member's attention.

Two Licensed in California

The Southern Fire of New York and the Jefferson Fire of Newark have been licensed in California. The Southern will be represented by J. R. Molony, formerly with the Aetna Life and affiliated companies, and the Jefferson will be managed by the Woodward-Phipps general agency.

B. L. Hewett to Become Sole Western Manager

HAS BOSTON AND OLD COLONY

Has Made a Fine Success of the Work in Handling the Underwriting Department

LANSING, MICH., Sept. 4.—Assurance has been forthcoming during the past week from the home offices of the Boston and Old Colony that B. L. Hewett, who has been co-manager with Ralph Rawlings of the companies' western department at Lansing, will be continued as sole manager. Mr. Rawlings withdrew from the organization about a fortnight ago in order to accept the presidency of the new Monarch Fire of Cleveland which is now about ready to step into the middle western field as a strong insurance fledgling.

Mr. Hewett, who will carry on for the Boston and Old Colony, has been in closer touch with the office organization of the western department, managing this end of the work in the past while Mr. Rawlings worked throughout the territory as contact man. This relationship was an old one as Mr. Rawlings broke into the business some 30 years ago when Mr. Hewett, then with the Michigan Millers' Mutual Fire, summoned him to that organization and aided him in learning the ropes out in the field. Their business association continued and they finally took over the management of the Boston's western department in 1918 after having been affiliated with the company since 1907.

Agents Are Notified

Harry B. Hewett, who has been assistant manager under his brother and Mr. Rawlings, will continue in this capacity under the new setup. Notification of the changes is being given agents throughout the territory during the ensuing week in letters being sent out from the home offices by William R. Hedge, president of the Boston. He says in part:

"Our best wishes go with Mr. Rawlings for success in his new position. While sincerely regretting his retirement, we know that our affairs in the middle west remain in the hands of able and experienced men and that the business will be carried forward in the same manner as heretofore, as B. L. Hewett, who has been affiliated with the company since 1907 and for the past 11 years as manager, will be in full charge of the western department, assisted by H. B. Hewett, assistant manager, who has held this same position for the past 11 years and has been connected with the company for 22 years. The same field and office forces will be retained. All of the above arrangements assure the same successful growth and operation that we have enjoyed in the past."

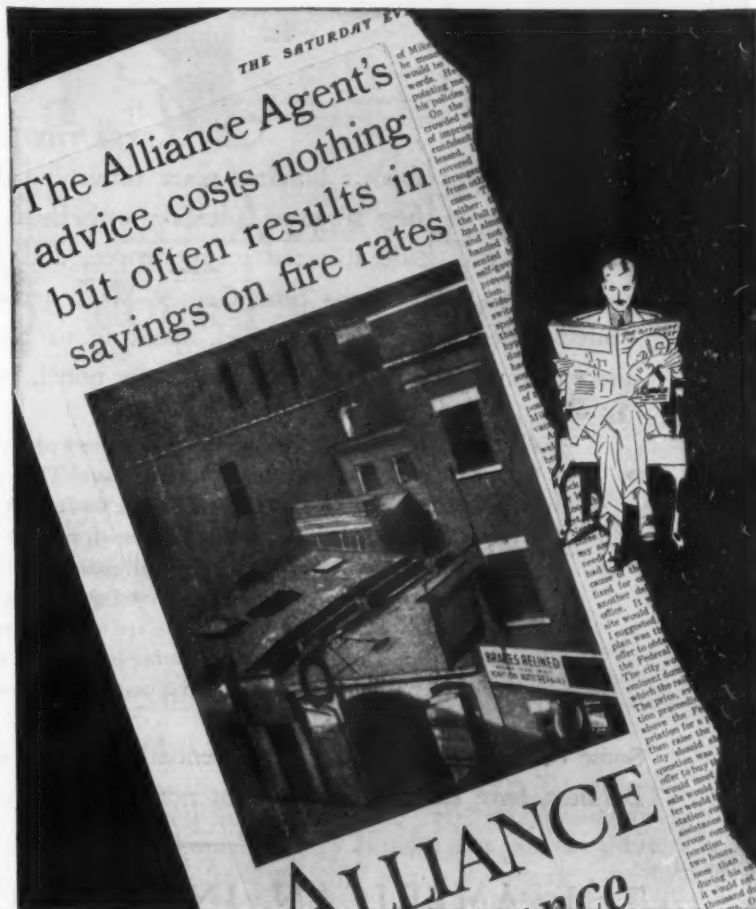
Mr. Rawlings visited the Boston and Old Colony offices here the past week to wind up his affairs preparatory to moving to Cleveland. He is at present officiating as the president of another Lansing company, the Columbian National Fire, which has been purchased by the interests organizing the Monarch and will be operated until such time as the new carrier obtains its license in the various states.

American Home's Appointments

The American Home Fire announces the following local agency appointments: Gillis, Emmett & Lee, Los Angeles; Insurance Service Agency, Hibbing, Minn.; J. B. Dunn, Marcus, Ia.; G. S. James and H. C. Graff Insurance Agency, Spencer, Ia.; F. P. Hogan, Pocahontas, Ia.; L. L. Canine, Paris, Ill., and Rolatt & Duthrie, Hackensack, N. J.

Sales arguments that really close business are found in *The Casualty Insurer*, monthly, \$2 a year, 175 West Jackson boulevard, Chicago.

Pointing prospects to Alliance Insurance and the Alliance Agent



THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA

Head Office: 1600 Arch Street, Philadelphia

CHICAGO
209 W. Jackson Blvd.

SAN FRANCISCO
231 Sansome Street

ATLANTA
8th Floor, Hurt Bldg.

AS SEEN FROM CHICAGO

INSURANCE STOCK COMMENT

In his comment on insurance stock conditions Warner S. Conn of Lewis-Dewes & Co., Chicago investment house, says:

"The past week has firmly substantiated our statement that the insurance market was due for a turn for the better. The buying interest has increased and a great many gains were established in the market. The movement was led by the listed stocks, notably Continental and Fidelity-Phenix, both of which showed a gain of 15 points. Substan-

tial gains were registered by Boston, Aetna Fire, Providence Washington, and the Home group.

"Our list of typical stocks which follows is a fairly good barometer of the week's market action:

	Aug. 27	Sept. 3	Change
Aetna Fire.....	775	800	+25
Aetna Life.....	1350	1365	+15
Boston Ins.....	1000	1050	+50
Conn. General....	2225	2250	+25
Globe & Rutgers..	1520	1540	+20
Hartford Fire....	1060	1075	+15
National Fire.....	90	90	..

"We have contended for some time, in the face of reports from various sta-

tistical services to the contrary, that the insurance market as a whole was too low, there has been a decided lack of interest for the past five months, with a result that we have seen bank stocks forge rapidly ahead gaining on an average of 40 percent in value since Jan. 1, while the list of typical insurance stocks gained less than 13 percent.

"The recent strength in rail stocks called the investors' attention to the fact that certain fire companies which were carrying sizable blocks of rails, and the result has been the general renewal of interest in the better grade insurance stocks."

APPLIES FOR MEMBERSHIP

Henry A. Yates, the new vice-president and western manager of the South-

ern Fire of St. Louis, has applied for admission to the Western Union. Ashby Hill, the secretary, is a member of the Western Union, as he has been in charge of western affairs pending appointment of a manager. When Mr. Yates takes hold he will look after western activities.

WESTERN BUREAU MEETING

The semi-annual meeting of the Western Insurance Bureau will be held at Briarcliff, N. Y., Oct. 1-3. The original date was set for Oct. 2-4. Owing to the fact that the Rocky Mountain supervisory committee will meet at Denver the following week it was necessary to advance the Western Insurance Bureau meeting one day. President Ralph Rawlings will preside at the meeting. The Bureau supervisory committee consists of H. A. Clark, Firemen's; C. H. Yunker, Milwaukee Mechanics and W. D. Williams, Security of New Haven.

CONSEQUENTIAL DAMAGE CLAUSE

The new underwriting rules in the central west remove the charge for the consequential damage clause on policies where refrigeration is used. Heretofore, there has been a charge made for this clause. There is a considerable amount of this business written and the elimination of the extra premium will amount to quite a sum in the aggregate.

BOTKIN JOINS JAYCOX OFFICE

R. W. Botkin, who has until recently been in charge of field operation for a New York fleet of fire companies, has been secured by C. T. Jaycox & Co. of Chicago to manage their fire insurance department, including relations with brokers. Mr. Botkin has had a general insurance experience covering 18 years, chiefly in field work in the central and southern states. With Mr. Botkin handling the fire insurance department and C. T. Jaycox in direct charge of the casualty department, the new firm is well equipped to handle the general business it solicits. This firm is located at 1729 Insurance Exchange.

BURNS GOES TO KANSAS CITY

Alvin G. Burns, who has been associated with the adjusting firm of G. B. Van Buren & Co., Chicago, has made arrangements to engage in the general insurance business in Kansas City, Mo. His interest in the partnership has been purchased by G. B. Van Buren whose office will continue to operate under the present firm name.

Prior to the time that the G. B. Van Buren Company was organized Mr. Burns was associated with Mr. Van Buren, who at that time was manager of the Chicago office of Toplis & Harding. When Mr. Van Buren resigned that position Mr. Burns joined in partnership with him in the firm which he is now leaving. Mr. Burns will be located at 1012 Baltimore avenue in Kansas City.

WRITES SPRINKLERED RISKS ONLY

The Western Sprinklered Risk Association of Chicago, which heretofore has been writing both sprinklered and unsprinklered business, is now retiring entirely from the non-sprinklered field. As a consequence some of the inspectors who have been dealing with that branch will have to make other connections.

NEW AGENCY EXPANDS

Waidner, Power, Zweig & Lasch, a Class 1 agency established in Chicago the first of the year has found it necessary due to expansion of its business, to enlarge its quarters in the Insurance Exchange building. Space available adjoining its present offices giving them twice the space they formerly occupied, has been leased.

Hugo T. Peterson, an old time Chicago broker connected with the office of Marsh & McLennan, is dead.

AFTER THE HUDSON'S BAY COMPANY had operated for about a hundred years, furnishing the Indians with an outlet for the fruits of their labor and dealing with them fairly and uprightly, the volume of this trade attracted inexperienced, and in some cases, unscrupulous traders... About the time George Washington was President of the United States, an old Indian chief, speaking to his fellow-tribesmen in the direct manner for which the Ojibways were noted, counseled them as follows:

// Fools, why do you trust these white traders who come among you with beads, and fire water, and crucifixes? They are but as crows that come and are gone. But there are traders on the banks of the great lake yonder who are never absent, neither in our time nor in the time of our grandfathers and great-grandfathers. They are like the rock which cannot be moved and they give good goods, and plenty, always the same. If you are wise, you will go hence and deal with them, and never trust more the traders who are like fleas and grasshoppers—here one moment and flown away the next. //

Some of us in this enlightened Twentieth Century, engaged in the Insurance Business, have neither the foresight nor the courage of this Indian chieftain.

THE AMERICAN INSURANCE COMPANY OF NEWARK, N. J.

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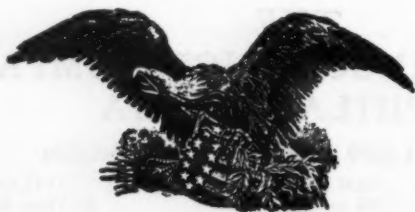
THE AMERICAN FLEET

The American Ins. Co., Newark, N. J.

Bankers Indemnity Ins. Co., Newark, N. J.

The Columbia Fire Ins. Co., Dayton, Ohio

The Dixie Fire Ins. Co., Greensboro, N. C.



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AMERICAN NATIONAL FIRE INSURANCE COMPANY

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Capital \$500,000

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GEORGE E. KRECH, Vice-President and Secretary
ALLEN W. FLEMING and E. PHILLIP GUSTAFSON, Assistant Secretaries

Progressive, Yet Conservative

Finance Chief



GEORGE W. CARTER

George W. Carter, vice-president of the Detroit Insurance Agency of Detroit, is chairman of the finance committee of the Detroit local agents who will act as the local hosts at the time the National Association of Insurance Agents holds its meeting in their city. Mr. Carter is one of the outstanding local agents of the state.

Harvest Fire Prevention Explained by Expert

MADISON, WIS., Sept. 4.—An urgent request to protect the harvest against fire by properly caring for hay in barns and stacks and stacked grain has been sent out to Wisconsin agriculturists by J. E. Florin, superintendent of fire prevention.

Mr. Florin points out that reports are coming in from all parts of the state concerning cases of spontaneous ignition of hay in barns, when proper curing of hay, salting, and good ventilation of hay lofts are the easy preventives of such fires. Each year, Mr. Florin points out, considerable grain in stacks is also destroyed by fire, and since frequently these stacks are placed near a building a number of cases occur where buildings are burned. A fire guard of at least six furrows of plowed ground around a set of grain stacks is recommended for farm buildings, and placing the stacks some distance from buildings, and from railway tracks so that sparks from chimneys or from trains may not cause a fire.

The threshing engines at farms should be equipped with a good spark arrester, and a metal pan to catch coals and ashes which might drop from the firebox, and each threshing crew should be asked to carry at least two good fire extinguishers. A few barrels of water with pails at each barrel is recommended near the stacks as first aid protection usually sufficient to care for incipient fires, and the threshing engineer should be required to keep all oily waste in a covered metal receptacle. Smoking on or around grain or straw stacks should be prohibited, it was pointed out, and with these precautions the number of serious farm fire losses which occur each year in connection with the harvest might be reduced.

AGENCY MANAGERS—There are many valuable agency helps, study outlines, systems, plans and suggestions in The A. & H. Bulletins. Keep your men on their toes. Write The National Underwriter Company, 420 East 4th street, Cincinnati, O., for free booklet describing The Accident and Health Bulletins.

Goldman-Sachs Deal Still Is Shrouded in Mystery

MUCH INTEREST ON COAST

Men Involved for Most Part Refuse to Comment on Reports Regarding Securing of Companies

SAN FRANCISCO, Sept. 4.—Although rumors persist in California that the Goldman-Sachs Trading Company, which recently entered the state by obtaining substantial interests in many corporations, has purchased large interests in the Western States Life and the Pacific Mutual Life's various subsidiaries, through a new organization, the Pacific American Associates, formed recently in conjunction with the Hunter-Dulin and Bond, Goodwin & Tucker investment houses, Frank L. Taylor, president of the new consolidated organization, has refused to comment upon any phase of the reports.

The report is current that the Western States Life, Pacific Mutual Life, Pacific American Fire, Pacific Indemnity and, through Bond, Goodwin & Tucker, the Associated insurance companies, are all a part of a gigantic program of expansion and consolidation, or at least a general financial plan which will place these companies under one large managerial institution.

Phillips Denies Change in Control

Lee A. Phillips, who is vice-president of the Pacific Mutual Life and president of the Pacific Indemnity and Pacific American Fire, and O. Rey Rule, a director of those companies, are among the directors of the Pacific American Associates. Mr. Phillips stated last week that some of the merged corporations are stockholders of the Pacific Indemnity and Pacific American Fire but that they are not controlling stockholders and that there is no change in the control of those companies.

Those reported to be involved are for the most part extremely reticent about the present movement and some principals express a lack of knowledge of the proceedings. It was reported a few months ago that Goldman-Sachs, through an active San Francisco house now closely affiliated with that firm, had purchased the holdings of President Marshall Harris and Vice-President Crothers of the Western States Life, an accompanying report being that those officers would retire from active control of the company about the first of the year. However, as far as can be ascertained, the entire situation is clouded in secrecy.

Premium Income Off

Fire insurance companies operating in Western Union territory find that it is very difficult to keep up the premium income largely because of the reduction in rates. The extension of the term rule has also had an effect especially among some of the larger assureds. The smaller premium people as a rule are not taking advantage of the term proposition. In a number of cases the large premium payers feel that the saving is sufficient to warrant a cash payment for three years ahead.

The reduction in rates, however, has had a material effect on premium income. Charges have been eliminated for some clauses that heretofore carried an extra premium. With the influx of new companies and a greater division of the premiums the natural result would be for a reduced income on part of the regular companies. Local agents find their income has been reduced largely owing to the decrease in rates.

General agents like agents to read **The Casualty Insurer** because it boosts premium income. Monthly, \$2 a year, 175 West Jackson boulevard, Chicago.



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Soon after you've joined the Atlas family—if not before—you become acquainted with all the executives of this progressive company. Moreover, you get to know them and to know them well. You can count on every one as your personal friend.

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Recognizing the value of such friendliness to you and your agency, isn't it worthwhile to begin to become fully acquainted with this company now? Just a letter from you will bring all the information you desire—without any obligation.

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MISSOURI AND PENNSYLVANIA



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AUTOMOBILE,
TORNADO,
RENTS,
LEASEHOLD,
EXPLOSION,
RIOT and CIVIL
COMMOTION,
PROFITS AND
COMMISSION,
USE & OCCUPANCY

AUTOMOBILE COVERAGE

Records of past years tell of
devastating winds and swooping
disaster in Equinoctial September.

Patriotic agents make August
their banner month for selling
Windstorm Policies. They are
waking their clients to the ad-
vantages of Complete Patriotic
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SAN FRANCISCO
C. A. HENRY, General Agent

Modification of Texas Court Order Is Sought

CALL INJUNCTION TOO BROAD

Attorneys for Board of Commissioners
and Companies Make Motion
Upholding Commission Plan

AUSTIN, TEX., Sept. 4.—Hearing on the motion of the state board of insurance commissioners for modification of the injunction order in the agents' commission fight has been set for Sept. 5.

AUSTIN, TEX., Sept. 4.—Modification of the injunction order issued by District Judge J. D. Moore here in the fire insurance agents' commission controversy is asked in a motion filed by counsel for the board of insurance commissioners and the nine Texas fire insurance companies who are supporting validity of the board's 25 percent commission order of May 1.

The Gulf, Commercial Standard and Utility of Dallas have filed suits attacking validity of the agents' commission order and trial is to be had next October. Pending trial the companies sought and obtained an injunction restraining the board of insurance commissioners from interfering with their business by threatening their agents with forfeiture of their licenses and the imposition of other penalties should they continue to represent the companies under their present contracts stipulating commissions other than those prescribed by the board's order.

Refuses Mandatory Order

The court refused to grant a mandatory injunction to direct the board to advise agents of the companies that during pendency of the suits the agents who contract with the companies in violation of the order will not be subject to the penalties provided by law in the event the order is held valid.

It is alleged in the motion for modification that the court's injunction order went beyond the pleadings or the issues tendered by the pleadings and prayer for injunction in that it embraces not only the suing companies' local agents under existing contracts but the local agents which it may hereafter appoint or acquire. This phase is entirely beyond the pleadings or the issues tendered by the pleadings and prayer of injunction, the modification motion claims.

Another objection to the order is that part relating to forms of affidavits sent out by the board. This, it is alleged in the motion, has no place in the injunction order. The court had held that the form of affidavit was unauthorized.

It is pointed out that the injunction order sets out a form of affidavit which was first sent out by the board and later retracted, and decrees that such is sufficient and requires the board to issue a license upon the presentation of such an affidavit by plaintiff insurance companies, unless there is some other legal reason than to comply with the statute during the pendency of the suit.

"This part of the order of the court is undertaking to require the board to take some action with reference to its official duties and do a particular thing when the court has declined and refused to grant mandatory injunction," it is contended.

Stuyvesant Votes Increase

The stockholders of the Stuyvesant have voted to increase the capital from \$1,000,000 to \$1,500,000. The par value of the shares are reduced from \$100 to \$25. The price at which the extra \$500,000 will be sold will be determined by the directors.

John R. Bircher, cashier of the Water Tower Bank, St. Louis, has been appointed a Class A agent for the Dubuque Fire & Marine. His business will be supervised by Lon W. Harlow & Co.

Publicity Man



GEORGE BROWN

George Brown, secretary of the Michigan Association of Insurance Agents and well known contributor to insurance papers on different phases of the business, is acting as chairman of the publicity committee of the Detroit Association of Insurance Agents in connection with the convention of the National association to be held in Detroit the week of Sept. 9.

RIDER CONSTRUED TO COVER THE BUILDING

The original policy described the insured property as a specified building, but a rider was attached raising the insurance \$500 and making it apply to "additions and extensions situated . . . in the yards, on platforms, sidewalks or alleys within 100 feet of the above described building" and appellee testified that he had informed the agent that he was using a garage building, twenty-eight feet to the rear of the first building named, for the storing of some of his stock. The agent suggested the additional insurance and rider, and the policy was delivered with the rider while he was in the adjacent building, but which was really not an addition or extension to the main building, and in fact there were no additions or extensions of the main building. The agent testified that the rider was delivered while appellee was in the main building. Held that if the property had been back of the garage building and within 100 feet it would have been insured; that the rider must be construed to have intended to cover something, and therefore must have been intended to include the back building which appellee was using, and the only building which he was using other than the main building. Chicago Fire & Marine vs. Newman, App. Ct. Ind.

Miscellaneous Notes

Lawrence L. Will, assistant cashier of the Lowell Bank, has been named an agent for the St. Paul in St. Louis.

C. W. Dubenrick, 936A Laurel street, St. Louis, formerly a solicitor for Walter T. Campbell & Co., has been appointed a Class 2 agent for the Western Fire.

A new corporation known as M. Hammel Real Estate Company, St. Louis, has been formed to take over the real estate and Class 2 insurance business agency of the M. Hammel Real Estate Company.

Fred E. Maginity, Title Guaranty building, St. Louis, has been appointed a Class 2 agent for the Southern Fire and Western Fire. He formerly was a solicitor for the R. J. O'Brien agency. Other Class 2 agency appointments recently made in St. Louis are: Christ J. Rapp for Connecticut Fire, Ernest E. Yates for Western Fire, and Ben Yavitz Insurance Agency for Western Fire.

INSURANCE STOCK QUOTATIONS

Furnished by H. W. Cornelius & Co., 105 South La Salle Street, Chicago

	Par	Bid	Div.	Per	Stock	Par	Bid	Asked	per
			Asked	Share					Share
Aetna Cas. & Sur. (new \$10 par: 210-220).....	100	2010	2050	\$12.00	Hamover.....	10	78	82	1.00
Aetna Fire.....	100	800	...	20.00	Harmonia.....	10	41	45	1.50
Aetna Life (new \$10 par: 140-144).....	100	1365	1380	12.00	Hartford Fire.....	100	1070	1090	22.00
Agricultural.....	25	230	...	4.00	Hartford St. Bldg.....	100	790	810	16.00
Allemania.....	50	300	325	12.50	Home.....	100	635	645	20.00
Amer. Alliance.....	10	43	45	1.60	Homestead.....	10	38	42	1.00
Amer. Auto.....	10	80	...	2.00	Hudson Cas.....	5	6 1/2	8 1/2	...
Amer. Druggists.....	25	85	...	3.00	Importers & Exp.....	25	100	105	4.00
Amer. Equitable.....	5	57	61	1.50	Independence Ind.....	10	26	28	.50
Amer. (Newark).....	5	24	25 1/2	1.00	Independence Fire.....	10	21	23	.50
Amer. Reserve.....	10	79	84	4.00	Ins. Co. of N. A.....	10	85	87	2.00
Amer. Salamandra.....	50	80	88	3.00	Inter-South Life.....	1	475	550	...
Amer. Surety.....	25	132	137	6.00	Iowa Nat. Fire.....	10	...	16	...
Automobile (new \$10 par: 58-62).....	100	570	585	8.00	Life Insur. of Va.....	20	185	195	...
Baltimore Amer.....	5	55	57	.60	Lincoln F. of N. Y.....	20	91	96	4.50
Bankers & Ship.....	25	135	145	5.00	Lincoln Natl. Life.....	10	127	135	2.00
Boston.....	100	1040	1075	16.00	Lloyds Cas.....	10	33	37	...
Brooklyn Fire.....	5	30	32	...	Maryland Cas.....	25	125	130	5.00
Camden.....	5	32 1/2	34 1/2	1.00	Mass. Bonding.....	25	220	230	4.00
Carolina.....	10	43	45	1.40	Merch. Fire, com.....	10	130	140	2.00
Central West Cas.....	50	55	63	2.00	Merch. Fire, pfd.....	100	120	...	2.50
Chicago F. & M. (new).....	10	34	37	...	Mechanics.....	25	100	...	2.50
City of N. Y.....	100	750	775	16.00	Merchants, R. I.....	10	25	29	...
Col. State Fire.....	10	21	26	...	Merch. & Mfrs.....	5	26	30	...
Com'l Cas.....	10	48	51	2.00	Metropolitan Fire.....	10	11	15	1.00
Commonwealth.....	100	750	...	20.00	Mo. State Life.....	10	82 1/2	83 1/2	1.20
Constitution Ind.....	10	20	25	.50	Mohawk Fire.....	25	63	68	...
Continental Assur.....	10	73	78	1.80	Montana Life Ins.....	10	16 1/2	...	.80
Continental Cas.....	10	50	51	1.60	National Cas.....	10	32	34	1.20
Continental.....	10	109	111	2.00	National Fire.....	10	91	94	...
Detroit F. & S.....	50	46	58	4.00	Natl. Liberty.....	5	31	32 1/2	.50
Detroit F. & M.....	100	290	340	10.00	Natl. Union Fire.....	100	280	290	12.00
Detroit Natl. Fire.....	25	22	25	1.25	Natl. Surety.....	50	124 1/2	126 1/2	5.00
Eagle F. Newark.....	20	75	82	4.00	New Amster. Cas. (new).....	10	50	54	2.00
Employers Reins.....	10	32	34	1.50	New Bruns. Fire.....	10	40	43	1.20
Excelsior.....	5	12	14	...	New Century Cas.....	50	85	95	5.00
Federal of N. J.....	10	100	105	...	New England Fire.....	10	47	52	1.00
Federal Surety.....	15	...	37	...	New Hampshire.....	10	77	83	...
Fidelity & Dep.....	50	238	242	8.00	New Jersey.....	20	60	65	2.00
Fid. & Guar. F.....	10	50	60	...	New World Life.....	10	14	16	.80
Fidelity-Phenix.....	10	121	123	2.00	North Amer. Life.....	50	190	205	10.00
Fire Association.....	10	46	48	2.50	Northern Ins.....	25	130	140	3.75
Fireman's Fund.....	25	110	115	5.00	Northern State L.....	8	12	16	.64
Firemen's Newark.....	10	40	42	2.20	North River.....	25	455	465	8.50
Franklin Fire.....	25	235	240	8.00	N. W. Natl. Fire.....	25	150	160	5.00
General Surety.....	25	125	135	...	N. W. Natl. Life.....	5	20	28	...
Georgia Casualty.....	5	...	22	...	Occidental.....	10	26 1/2	28	...
Glens Falls.....	10	68	72	1.60	Ohio Natl. Life.....	10	30	75	...
Globe & Rutgers.....	100	1540	1570	24.00	Old Line Life.....	10	32	35	1.50
Great Amer. Ind.....	10	52	58	...	Pacific Fire.....	25	150	160	5.00
Great Amer.....	10	47 1/2	49	1.60	Pacific Indemnity.....	50	225	...	6.00
Great Lak.....	10	13	...	1.00	Pacific Mut. Life.....	10	111	114	2.00
Guaranty Fire.....	100	225	...	10.00	Pan Amer. Life.....	10	28	33	1.20
Halifax.....	10	33	35	1.00	Peoples Natl. Fire.....	5	37 1/2	39 1/2	1.00

(CONTINUED ON NEXT PAGE)

ALL INSURANCE STOCKS BOUGHT — SOLD — QUOTED

WILL BUY, SUBJECT PRIOR SUPPLY—

- 100 shs. Lincoln National Life @ 126
- 50 " Interocean Reinsurance, Cedar Rapids @ 310
- 100 " Massachusetts Bond. & Ins. @ 215
- 100 " St. Paul Fire & Marine @ 230
- 75 " Great Northern Life @ 118
- 100 " Missouri State Life @ 80
- 100 " Great Southern Life @ 52 1/2

WILL SELL, SUBJECT PRIOR DISPOSAL—

- 100 shs. Northwestern National Ins. @ 155
- 200 " Old Line Life Ins. @ 34
- 500 " Republic Ins. of Texas @ 34
- 100 " Iowa National Fire @ 16 1/2
- 100 " Des Moines Life & Annuity @ 13 1/2
- 25 " Aetna Fire Ins. @ mkt.
- 100 " Great American Ins. @ mkt.

ALSO REAL ESTATE BONDS ISSUED BY S. W. STRAUS & CO., GEO. M. FORMAN & CO., GREENE-BAUM SONS INV. CO., H. O. STONE & CO., etc.

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NEW HAMPSHIRE FIRE INSURANCE CO. AND AFFILIATED COMPANIES



A GROUP OF STRONG COMPANIES with record of many years of service to the agent, at all times in a cooperative spirit, and well earned reputation for prompt discharge of policy obligations in a broad and liberal manner, a basis of management serving to cement a happy relationship with our agents as the years roll on

NEW HAMPSHIRE FIRE INSURANCE CO.
MANCHESTER, N. H.
ORGANIZED 1869

GRANITE STATE FIRE INSURANCE CO.
OF PORTSMOUTH, N. H.
ORGANIZED 1885

PACIFIC STATES FIRE INSURANCE CO.
OF PORTLAND, ORE.
ORGANIZED 1909

Receipt Fee of 35 Cents Waived by Missouri Body

COMPANIES START REFUNDS

St. Louis Association Passes Up Flat Charge for Endorsements by Vote of Committee

ST. LOUIS, Sept. 4.—Decision of stock fire companies operating in Missouri to abandon their demands that agents return 10 percent of their commissions on business placed since Feb. 1, 1927, has resulted in the Fire Underwriters Association of St. Louis withdrawing its demands that the companies pay to association members a flat fee of 35 cents for each endorsement made in obtaining receipts from policyholders for refunds on premiums paid since Feb. 1, 1928.

The executive committee of the association adopted the resolution, which was signed by Joseph F. Hickey, president, and Jesse P. Henry, secretary.

Refunds Are Started

With the return commissions question effectively disposed of, the work of making actual refunds of 10 percent on the policies placed since Feb. 1, 1928, got under way Sept. 3 and within the next week or so, it is said, every policyholder in the state entitled to a refund will be paid. Agents in all parts of the state are cooperating with companies in the work.

There is no uniform system of making refunds. This has caused some confusion in larger agencies that represent a number of companies. Some companies are using drafts while others are making payment through local agents, charging the amount returned in monthly reports. Each company is free to use its own system of making the refunds.

One Practice in Use

Some companies instructed their agents to cease making endorsements after Aug. 31 and promptly thereafter to forward receipts for such endorsements as have been made. These companies plan to determine the amount of refund due each policyholder and will then forward drafts to the agents for delivery.

Companies have notified their agents that the 10 percent refund will be paid on fire, lightning, hail and windstorm insurance, including use and occupancy, rents and leasehold, but not on automobile, explosion, sprinkler leakage or riot and civil commotion policies. Where policies have been assigned the refund is to be paid to the last assignee.

Putting off buying insurance is like delaying to cross the rising river—the longer you wait the higher the rate.

H. V. Chapman Is Appointed as the General Chairman



HORACE V. CHAPMAN

From headquarters office of C. E. Rickert, president Insurance Advertising conference, comes the announcement that H. V. Chapman, advertising manager of the Ohio Farmers, Le Roy, has been appointed general chairman of the national convention in Cleveland, Oct. 6-9. Located a short distance from Cleveland, this popular, young executive officer of the conference is able to keep in close touch with all plans and developments that are going through.

INSURANCE STOCK QUOTATIONS

(CONT'D FROM PRECEDING PAGE)

Stock	Par	Bid	Asked	per Share
Phoenix	100	1065	1100	20.00
Pioneer Fire Ins.	20	20	...	...
Postal Life Ins.	10	14	...	.50
Preferred Accel.	100	595	620	12.00
President F. & M.	25	32	...	...
Prov.-Wash.	100	1010	...	20.00
Public of Newark	5	24	27	...
Reliance	10	22	25	1.20
Reliance Life of	100	185	...	6.00
Pittsburgh	10	36	40	...
Rhode Isl. (new)	10	48	52	...
Rochester-Amer.	10	79	81	...
Rossia	25	24	27	...
Seaboard Surety	10	24	27	...
Security of N. H.	25	125	130	3.00
Southern Surety	10	20	25	.60
Springfield F. & M.	25	220	230	4.00
St. Paul F. & M.	25	232	237	5.00
Standard Accident	50	275	325	6.00
Stuyvesant	100	450	460	6.00
Sun Life Assur.	100	3100	3250	25.00
Sylvania Fire	10	31	34	...
Transport. Ind.	10	19	23	...
Transport. Insur.	25	47	51	...
Travelers ex rts	100	1835	1855	24.00
(Rts. 243-249)	100	1835	1855	24.00
Union Cent. Life	20	32	...	1.20
United States Fire	10	106	111	2.40
U. S. Casualty	25	95	101	...
U. S. Fld. & Guar.	10	67	69	2.00
U. S. Life Insur.	30	30	...	...
U. S. Mer. & Ship.	100	420	440	8.00
Universal	25	80	85	3.50
Victory	10	19	23	1.20
Virginia F. & M.	25	135	145	4.50
Westchester Fire	10	82	85	2.50

Protest License to Loan Office

COLUMBUS, O., Sept. 4.—Superintendent Younger held a hearing Tuesday on the application of the Z. & R. Insurance Agency of Columbus for an insurance agent's license. It desires to represent the Firemen's of Newark. Protest against the issuing of the license was filed by the Insurance Society of Columbus and prominent insurance men. The concern is associated with Zinn & Robbins, real estate, investments and loans. It represents a large eastern life insurance company in the placing of loans on realty in the Columbus district.

A man is as old as he feels; a woman is only as old as she tells.

STEADY

Great American
Indemnity Company
New York

Casualty
Insurance

Fidelity and
Surety Bonds

Aviation Requires High Type of Underwriting

HANGAR HAZARD GROWS

Rates Theoretical Now, Says Henry S. Dunn, as When First Policy Was Issued

SAN FRANCISCO, Sept. 4.—Henry S. Dunn, vice-president of Carl N. Corwin Company, San Francisco, general agents of the Independence Fire, spoke here last week on "Insurance for Those Who Fly." Mr. Dunn said that the fire insurance companies are much concerned over fire hazard in airplane hangars. The size of the hangars is growing and consequently the item of fire protection becomes more serious. The aviation industry contends, he said, that automatic sprinkler protection is not practical in hangars and virtually takes the attitude that its method of housing is not bound by the rules of safety applying to other industries and the fire protection engineer should find some other remedy to apply. Mr. Dunn expressed hope that the aviation industry will give ear to the fire protection engineers rather than be compelled by disaster to do so at a later date, when changes will necessarily be more expensive.

Small Volume Handicaps

In speaking about the underwriting results of the companies on aviation risks Mr. Dunn said that the class covered is of such a hazardous nature and a small volume of such large insurable values, it is doubtful whether a period of shorter than 10 years will produce averages from which to predict rates. "Necessarily," he said, "the rates charged are as theoretical as when the first policy was issued and cannot be accepted as adequate nor objected to as excessive; for the large operators whose superior management produces satisfactory experience reductions may be made, but only to a limited extent for the insurance cost of the class is not known."

Elements of Risk Unknown

"Aviation insurance," he continued, "calls for the highest type of underwriting and in its present status is a selection of individual risks. The elements which makes for a good or a bad aviation risk are practically unknown to the average present day underwriter and he must feel his way until sufficient time has elapsed and volume developed to establish averages and the attitude of the insurance companies declining to write the business is easily understood."

"With necessity for careful underwriting and lack of trained underwriters which is to be expected in connection with such a new type of insurance, it is very disturbing to learn that competition in rates has appeared."

Correct Rates Imperative

"The American companies experimented with aviation insurance 10 years ago and were forced by competition and inadequate rates to leave the field, and it will be very disturbing to the progress of air-transport if conditions cause them to quit the field again."

"Aviation insurance has many problems before it but its most pressing one is to successfully write the business so that the companies do not lose money in insuring the industry and that the industry is not overcharged for its insurance. Correct rates must be established and adhered to for that is the only basis on which the insurance company executive can justify the writing of the class to his stockholders."

Have you developed the habit of looking for opportunities of placing more fire insurance to its greatest degree? The National Underwriter Company Sales Training Course in Property Insurance will help you do this. Write for free booklet to 420 East Fourth street, Cincinnati, O.

A SPIRIT THAT'S UNBEATABLE

Arthur Mee, in his "Song of Panama Canal Builders," puts the following words in the mouths of the "gang." There is, in this verse, a spirit of unconquerable determination well worth emulating:

"Got any rivers they say are uncrossable?"

Got any mountains you can't tunnel through?"

We specialize in the wholly impossible,

Doing the things that no one can do."

Leasehold Loss Has Interesting Lesson

A company recently reported a leasehold interest loss where the building was totally destroyed and the lease which had about two years to run was canceled. The assured leased the first floor and basement for \$3,000 a year, operating a mercantile establishment. He sub-leased various departments, charging as rental 10 percent of the gross income from such departments. This income from sub-leases averaged \$5,000 a year. The lease was insured on the basis of \$6,000 a year or \$500 a month. It was established by four real estate experts that the rental value at the time of the fire was \$450 a month or \$5,400 a year. After deducting the rental of \$3,000, it left a leasehold interest of \$2,400 a year or \$200 a month.

Owing to the fact that the assured had been sold the coverage on the basis of rental income from sub-leases without reference to rental value, the companies interested were obliged to pay the loss, \$417.07 a month, the adjuster defeating claim for the space occupied by the assured.

In commenting on this loss, an observer says: "The loss shows the need of a better understanding on the part of both the agents and the companies as to the extent of coverage afforded under the leasehold interest form. The form covers the difference between rental value and the rent paid. Rental value can be estimated and appraised similar to property value. If the lessee has favorable sub-leases bringing him much more than the rental value, only such part of the sub-lease income is insurable as leasehold interest as represents the difference between rental value and the rents paid."

"Rental value is fixed by disinterested real estate experts and is not affected by favorable or unfavorable sub-lease any more than the appraised replacement value of a property is affected by whether it is bought or sold for more or less than its actual worth. Rental income in excess of rental value should be insured for an annual period under use and occupancy or rent insurance and should never be insured as leasehold for the full term of the lease any more than one would pay a use and occupancy loss beyond the replacement period."

FIELD POSITION WANTED

Local agent situated in Central Illinois wishes field position with fire or auto company. This agency writes a good volume of business which would be placed with the company employing this agent. He has had 18 years home office, local agency and field experience. Address N-33, care The National Underwriter.

FIELD MAN WANTED

Wanted by an eastern company, a member of the Union, a field man to handle Illinois and eventually Michigan and Wisconsin when entered. In fact this man will be the western supervisor of the company. Address N-32, care The National Underwriter.

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THE United States Post Office handles a larger volume of shipments than any other institution in the world. Among so many letters and parcels not a few are bound to be damaged or lost.

The Harmonia's Parcel's Post and Registered Mail Policies protect parcels and registered letters from losses due to fire, theft, and common perils of transportation whether by steamer, train or truck.

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WILFRED KURTH, PRES.



TIME TRIED AND FIRE TESTED
SINCE 1854
THE PHOENIX INSURANCE COMPANY
of HARTFORD, CONN.

THE NATIONAL UNDERWRITER

Formerly THE WESTERN UNDERWRITER

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Great Burden on Companies

INSURANCE companies are required by state authorities at times to furnish statistics and information that require long hours of toil, extra help and considerable additional expense to gather. Perhaps the authorities do not appreciate what it means to an office to procure this data demanded. It is an easy matter for an official sitting comfortably in his chair to send out a ukase to insurance companies to fill out a questionnaire or to furnish statistics running back a number of years.

For instance, in the Kansas rate litigation, the attorneys for the state send to companies some 400 odd questions to be answered which entail a vast amount of labor, time and money to compile. It would seem to us that a great deal of this information is absolutely useless and is never studied. It is thrown into some storage place and finally sold as waste paper. The rail-

roads have complained of the additional burdens thrown on them by the government which requires statistics of all kinds, that are very seldom used in a practical way. It would seem to us that in this day when economies are being devised and institutions are studying less expensive ways of doing business, the state should not unnecessarily hamper a corporation by requiring information that will never be employed. We believe in proper regulation and supervision. An insurance company must furnish the state with sufficient information in order that the insurance department may properly judge as to whether it is complying with the laws in all respects and is being properly administered. There is a tendency on part of governments to seek data which will never be used or seldom put to any practical benefit. They should consider the effect of such orders.

In Defense of the Field Man

RECENTLY, the criticism of the field man of today has been more or less general. He has been contrasted with his predecessor of 15 or 20 years ago who, it is pointed out, used to have to make rates, adjust losses, make inspections and carry on a multiplicity of duties that do not devolve upon the field man of the present generation. It is pointed out by some critics that bureaus of one kind or another have taken over many of the duties formerly performed by the field man.

While all of this may be more or less true, the fact remains that the field man of today has a much more intricate and difficult task to perform than the field man of a decade or so ago. Today, the field man is expected to be well informed regarding all of the new forms of coverage, such as use and occupancy, leasehold, rent, sprinkler leakage, rain, hail, and all of the other brands of indemnity written by fire insurance companies that were not even heard of a number of years ago. The field man must not only know all about them but he must be able to impart his knowledge of them to the agent in such a way as to produce business.

He must, in addition, work under conditions that are often anything but inviting. Competition is certainly much keener today than it ever has been before. Agents are surfeited with companies and show no disposition to take on additional representation. A number of years ago it was not so difficult to plant an agency force in any state as it is today. At this time, an agent must be prepared to in some way meet and offset the competition that is offered by the large fleets of companies that have extraordinary facilities to offer. Traveling for the average or common garden variety of companies and making a success of it requires a high order of ability in these times of keen competition.

The field man of former years had his qualities, but without making any comparisons at all, so has the field man today. There was never a time when it required a higher order of ability and resourcefulness to make a successful record as a field man than right now. In any discussion of the merits of field men, the changed conditions which are upon us should be taken into consideration.

PERSONAL SIDE OF BUSINESS

The fire insurance fraternity of California rejoiced Friday when the news was flashed that **George Houghton**, popular special agent of Los Angeles, had been rescued from the sea following the disaster which sent the veteran steamer San Juan to the bottom early that morning. The first news was that all passengers and crew had been lost. Later a second message came that a few had been saved and just when a group of Mr. Houghton's friends were lamenting his death he walked nonchalantly into the gathering. Believing that there was a possibility of Mr. Houghton having been saved, Walter Newman and Thomas MacCaughern of the Pacific Board went to the water front when news was received that the rescued were being brought into port. When Mr. Houghton spied these old-time friends he slid down a rope over the side of the steamer Dodd into their arms. The next 30 minutes were devoted to purchasing a new wardrobe and thence through the insurance district to prove visually that he was still among the devotees of fire insurance.

E. T. Cairns of San Francisco, vice-president Fireman's Fund, is in Chicago this week visiting the western department. Western Manager W. A. Chapman returned Tuesday from his vacation in order to meet Vice-president Cairns.

John H. Packard, United States manager of the London Assurance, is expected home from Europe about the middle of September. In company with Mrs. Packard, he has been spending several weeks in Paris and visiting the head office of the London Assurance. Before returning a tour of midland England is contemplated.

F. H. Strawbridge, Jr., of the Philadelphia agency firm of Williams & Walton was severely injured in an airplane crash at the Philadelphia airport last week in which the pilot was killed. Mr. Strawbridge was a student flyer, taking his third lesson.

Thomas E. Gallagher of Chicago, chairman of the board of Cook County Association of Conglomerated & Contaminated Grandfathers, has taken on new honors in the accession to the ranks of his great-grandchildren. Grandfather Gallagher now boasts of 17 grandchildren and three great-grandchildren, thus giving admitted progeny of 20. Harry Huffman Santen was born in Cincinnati, being the third grandchild of William A. Earls, well known local agent at Cincinnati, whose wife is the daughter of Mr. Gallagher.

L. W. McDonald of **McDonald & Stephenson** of Joplin, Mo., general agents for the Liberty Bell, tells about the experience of his office with airplane service. It was found necessary to close an agency appointment at Coffeyville, Kan. This conflicted with a previous arrangement for meeting an agent at Springfield, Mo., the same day. Therefore, Special Agent T. W. Garrett, Jr., pressed an airplane into service and covered both appointments the same day.

Manager **C. O. Talmage** of the Columbia Fire Underwriters agency of Omaha left last week for New York, where he will spend his vacation. He will make his headquarters at the Biltmore.

Miss A. V. Bowyer, San Francisco correspondent for THE NATIONAL UNDERWRITER and executive secretary of the San Francisco Life Underwriters Association, has been appointed chairman of the insurance committee of the safety conference of the California Develop-

ment Association, now known as the state chamber of commerce. Miss Bowyer has been active in insurance circles in San Francisco for many years and her selection by the development association to head this important committee is welcomed by insurance executives.

Homer W. Teamer, secretary-manager of the Insurance Federation of Pennsylvania, is running on the Republican ticket for nomination for the school board of Norristown, Pa. Mr. Teamer is being backed by the American Legion and also by the Republican organization.

Cliff C. Jones of R. B. Jones & Sons, Kansas City, Mo., is getting "air legs." After a recent trip to California, on which he had to take to the train at Albuquerque, he flew to Denver last week on a U. S. Airways cabin monoplane and enjoyed the entire trip. He returned to Kansas City the early part of this week.

Miss Charlotte Elizabeth Rich, daughter of **Clarence A. Rich** of Chicago, assistant manager of the Netherlands, will be married Oct. 1 to W. W. Knight, Jr., of Evanston, Ill., at the First Congregational Church in Evanston. The parents of the bride will give a reception following the ceremony at the Evanston Country Club. Miss Rich is a graduate of Northwestern. Mr. Knight attended both Cornell and Northwestern.

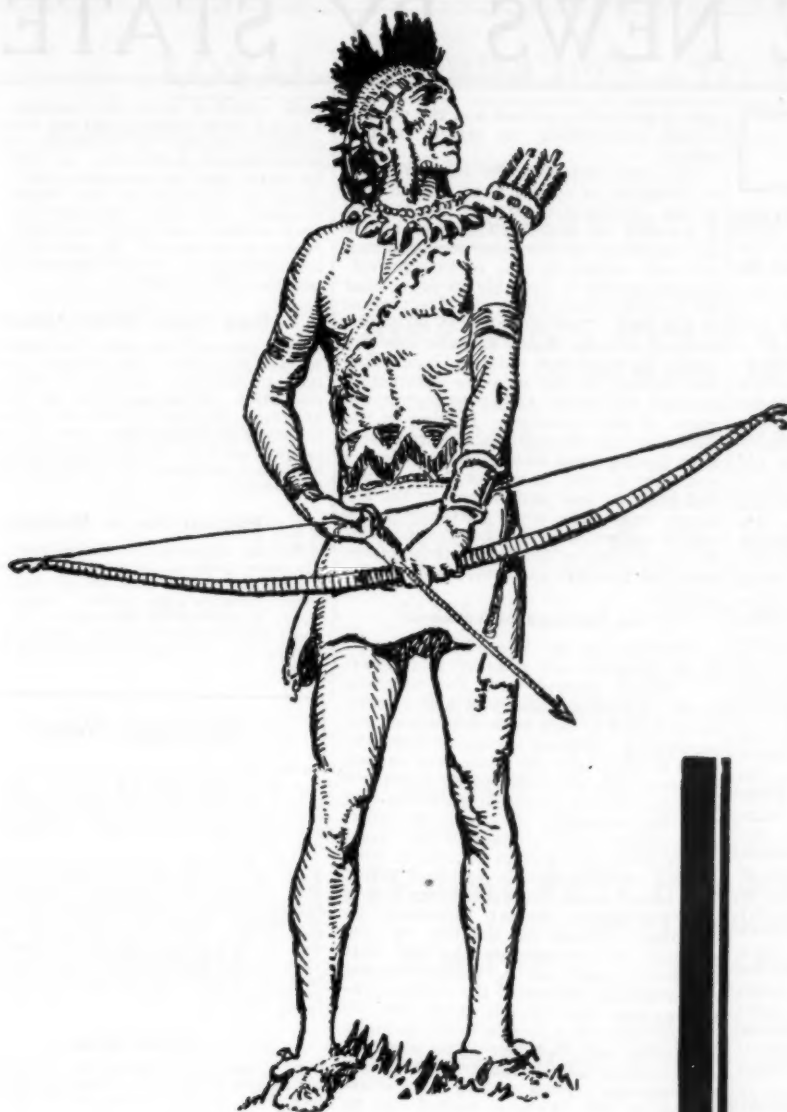
In the golden past two ambitious youngsters in the United States head office of the Commercial Union in New York City were **Frederick P. Hamilton** and **Charles L. Purdin**, the former then a map clerk and the latter his assistant. In the course of the years the two parted company, each entering the service of other corporations. Both forged steadily to the front. Today Mr. Hamilton is president of the Queen, while Mr. Purdin is deputy manager of the eastern department of the Liverpool & London & Globe. The two executives are thus again being brought into close business relationship, strengthening a personal regard that has held through several decades.

Barrett M. Woodsmall, insurance man of Indianapolis, has just taken his private pilot's air examination at the Capitol field. He is the first insurance man in Indianapolis to become a pilot.

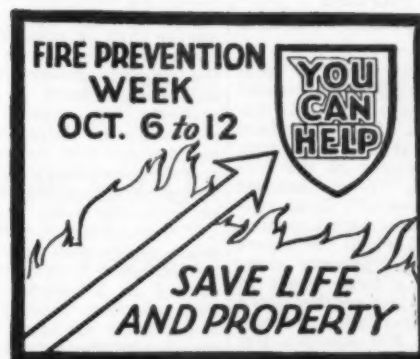
Andrew C. Gilbert of Detroit, Michigan state agent of the London & Lancashire and allied companies, will have official headquarters in the Book-Cadillac hotel in this city next week at the time the National Association of Insurance Agents is meeting there. Mr. Gilbert will provide ample facilities for agents in the way of stenographic service, information, and in fact, will be the host in a number of ways. Whatever Mr. Gilbert does he always does well.

Announcement is made that **Bush W. Allin** of Harrodsburg, Ky., will qualify as insurance commissioner of Kentucky this week. He was appointed following the resignation of Shelton M. Saulley, but as Mr. Allin was engaged in the insurance business he could not qualify until he disposed of that business. It is said that he has disposed of that business and is now ready to become commissioner. In the interim Arch Puliam, deputy commissioner under Mr. Saulley, has been acting commissioner.

Just as long as you keep your ideals fine and your ambition is for something above the ordinary, you are on the up-use stage, you retrograde.



"AMERICA FORE"



You can help! You can PROFIT too. Agents who take active part in Fire Prevention Week campaigns obtain much worthwhile publicity. Favorable publicity breeds goodwill, and goodwill results in more business. Get behind Fire Prevention Week, and increase your premium income!

FIRST AMERICAN FIRE INSURANCE COMPANY

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ERNEST STURM, CHAIRMAN OF THE BOARD.
PAUL L. HAID, PRESIDENT.

CASH CAPITAL — ONE MILLION DOLLARS

NEW YORK CHICAGO SAN FRANCISCO DALLAS MONTREAL

FIRE INSURANCE NEWS BY STATES

OHIO AND WEST VIRGINIA

OHIO COMMITTEE IS NAMED CONFUSION MAY DEVELOP

Local Agents Take Up Question of Increased Commissions With Some Western Managers

A committee of Ohio agents was appointed to visit western managers in Chicago to talk over with them the situation regarding commissions in Ohio outside of the two excepted cities of Cleveland and Cincinnati. The committee consists of C. H. Cranz, Akron; E. J. Bundenthal, Dayton; Chester Hook, Canton; T. M. Lynn, Zanesville; Walter J. Koontz, Toledo; Frank J. Macklin, Columbus, and F. B. Medbury, Youngstown. The committee will present their arguments to the managers this week with the hope that concessions will be made in due season. The committee is anxious to have this matter brought officially before the governing committee and the Western Union at its next meeting. The agents feel that with the reduction in rates the compensation of agents naturally has fallen to a point where some action should be taken to relieve the pressure.

The committee will be at the Hotel LaSalle in Chicago Friday.

WEST VIRGINIA PAPERS MISINTERPRET FIGURES

Some of the West Virginia local agents were considerably embarrassed by the shot that some of the daily papers took as a result of the insurance department's report, at the same time running the advertisement of the National Board entitled, "Your Cheapest Necessity—Fire Insurance." It so happened that the advertisement appeared in the same edition in which the papers claimed that the fire insurance companies were making a large profit in West Virginia. It is just another story of newspapers not appreciating the significance of figures. For instance last year the report showed that the premiums were \$8,884,637 and the losses \$4,229,571. The loss ratio was 48.8 percent. The newspapers took it for granted that the difference was all profit. West Virginia had made a bad record insurance-wise until the department itself commanded an increase in rates a few years ago. Last year was fairly good for the companies in the state.

Smith in New Post

V. K. Smith, who has become West Virginia state agent for the Norwich Union and Eagle Fire of New York, has been in the West Virginia field for the last seven years. He has been state agent for the J. N. Hendrix Company of Wheeling, which is general agent for the Phoenix Assurance and associated companies.

New Form of Standard Policy May Be on Same Risk with the Old

Raymond Edmunds, Columbus attorney, who recently addressed Ohio field men, called attention to the confusion which may develop when the new form of the New York standard policy is used on the same risk where the old form is also used. Several portions of the policy covering the same subjects are radically different. The new form is more liberal in not requiring specific mention of special forms of contents or appurtenances. Under the old form, awnings, casks, curiosities, manuscripts, medals, pictures, scientific apparatus, signs and other named objects are not covered unless specifically mentioned in the contract. Under the new form, the excluded, unless specially mentioned list is much less extensive.

The new form provides, as did the old form, that the company and the assured should appoint an appraiser and that the appraiser should select a third party to act as an umpire. The new form, however, provides that if the two appraisers cannot agree upon the umpire within 15 days, then on the request of either the assured or the company, an umpire shall be selected by a judge of a court of record in the state in which the property insured is located. One case has occurred in Ohio where the property was covered by both types of contract. Adjustments were prepared under both forms of contract, the sound values upon which the adjustments were made being radically different from the same property.

The old form of policy read that the entire policy shall be void if the hazard be increased by any means within the control or knowledge of the insured. The new form reads that the company is not liable for loss or damage occurring while the hazard is increased by any means within the control or knowledge of the insured. A number of other clauses are affected by this same wording.

It is as important as ever that policies of insurance should be concurrent in coverage. Agents who have been made acquainted with the situation where the two forms are likely to be used for the same risk are watching carefully to insist that one form or another shall be used throughout to avoid difficulty in adjustment.

Property Insurance offers splendid opportunity and comparatively easy openings for increasing your commissions. Write for booklet describing The National Underwriter Company Sales Training Course in Property Insurance to 420 East Fourth street, Cincinnati, O.

CENTRAL WESTERN STATES

COURT RECOMMENDS CHANGE

Michigan Supreme Court Decides Case Against Company but Declares Law Unfair

LANSING, MICH., Sept. 4.—Suggestion that the state legislature at next session, review a law which manifestly works an injustice upon insurance companies in many cases accompanied a recent decision of the Michigan supreme court, reaffirming its former opinion in

the case of William H. Yearnd, administrator for the estate of Janet Kneeling vs. the Northern of New York.

The argument submitted by Henry C. Walters, of Walters, Hicks, Carmichael & Head, Detroit insurance counsel, at the rehearing evidently so impressed the court with its merits, despite its futility in consideration of the present law's phraseology, that Justice George M. Clark, who wrote the opinion, offered the observation that it would greatly aid the courts if the legislators would again express their will in relation to the law

that it might be clarified and the present clouds surrounding the statute be dispelled.

The case embodies the vital principle of integrity of contract, an amendment to the Michigan insurance law making it possible for a policyholder to ignore any provision of the insurance contract and still collect in case of loss providing the carrier is not able to prove that the contract breach was the direct cause of the loss. The amendment is admittedly so crudely drawn that the supreme court, in its latest opinion, holds that one section of the measure completely nullifies the other, hence obscuring the intent of the legislature. In view of the fact that the amendment was repealed, after having been inadvertently repealed and after a case, based on the measure had gone to trial and review in the supreme court, the court currently holds that it cannot reverse its previous holdings and place a different interpretation upon the measure more favorable to the carriers.

Not Informed of Vacancy

The facts in the Yearnd-Northern of N. Y. litigation are, roughly, as follows:

A house, insured with the company under a Michigan standard policy form, burned after it had been unoccupied for some time. Neither agent nor company were notified that the house was vacant. A loss finally occurred but there was no evidence that it resulted from the fact that the residence was without occupant. The policy contained the usual provision declaring it to be void if notification of unoccupancy was not given. The lower court, however, when action was brought to collect following the company's denial of liability on the grounds of contract breach, held that the policy could not be voided because of the special section of the statute providing that the breach must be the proved cause of a loss in order to make the policy uncollectible. The supreme court upheld the lower tribunal when the case was carried up but, upon intervention of Mr. Walters, invited him to argue and brief the case at a rehearing. In its latest opinion it affirms its former holdings but the decision contains a distinct note of regret at the nature of the statute which makes its opinion necessary.

Fear Forest Fires in Michigan

LANSING, MICH., Sept. 4.—With a six weeks' drought persisting into September, forest fires in the northern part of the state have begun to take their most serious toll of the summer the past few days. What was said to be the worst fire of the season broke out late last week in an area between Clare and Harrison, north of here. It was brought under control only with the greatest difficulty after threatening much property in the vicinity. Little of the timber was said to be valuable, but the fire spread over a considerable area, greatly adding to the season's record for acreage burned and perhaps spoiling an all-time record for small forest losses. The entire northern country is on the quiver for fire reports and the fire wardens' organizations are being maintained at peak during the perilous period now prevailing.

Grand Rapids Man Loses All Licenses

LANSING, MICH., Sept. 4.—C. S. Marshman, Grand Rapids agent, whose fire and casualty license was suspended several months ago when it was found that he had sold coverage in unauthorized "wild cat" carriers, was eased completely out of the insurance business during the past week when it was announced by department authorities that his life and health and accident licenses had been revoked also.

Marshman was allowed to retain the two licenses when the earlier action was taken with regards his fire and casualty certificates of authority. He was considered, however, to be more or less on probation and the department has not

been satisfied with his conduct since. When it was decided that his remaining licenses should be revoked, he was given formal notification in order that he might use his statutory right to demand a hearing on the department's charges. No word was received, however, so the department cancelled his licenses as of Sept. 3. He had lately been representing the Pacific Mutual Life and the Hoosier Casualty.

Buys Three Rivers Agency

The General Agencies Corporation of Kalamazoo, Mich., has bought the William C. Hamilton agency at Three Rivers, Mich. A branch will be operated at Three Rivers and Mr. Hamilton will be manager. He will also do special agency work in southeastern counties of Michigan and supervise northern Indiana territory.

Pritchett Now in Michigan

George Raymond Pritchett has taken his new post as special agent of the American in Michigan, being transferred from Indiana. He assists State Agent H. L. Ridenour in Michigan. Mr. Pritchett was formerly a local agent at Terre Haute for 11 years before going in the field.

Michigan Notes

A loss estimated at \$15,000 was sustained at Lake Odessa, Mich., when Burlington's flour mill was totally destroyed by fire. Insurance coverage was said to be only partial.

Two Michigan agencies have incorporated. The Alexander H. Sibley Company, 3366 Penobscot building, Detroit, has \$100,000 capital. Incorporators are Frances W. Sibley, Mark M. Sibley of Groose Pointe, and Mabel Errington of Detroit. The H. B. Carter Agency, Ypsilanti, has authorized capital of \$10,000. Incorporators are Harold B. Carter, Emil J. Schaurik and Alley G. Fristoe, all of Ypsilanti.

Illinois Notes

L. L. Steele of Galesburg, Ill., has sold his agency to E. M. D. Bracker. Mr. Steele has been in the business there for 17 years.

Two firemen were killed at Streator, Ill., in a blaze which swept the commercial body department of the Kennedy Manufacturing Company, causing \$60,000 loss to plant, stock and equipment. The loss is partly covered by insurance.

Barrett M. Woodsmall, secretary and treasurer of H. H. Woodsmall & Co., Indianapolis, has been appointed receiver for the Indiana Kennel Club. The club recently went into receivership when police officials of Indianapolis would not permit betting on dog races.

NORTHWEST STATES

GOVERNOR APPROVES BILLS

License Fee Statute Becomes Law—Appoint Committee for Investigation of Fire Business

MADISON, WIS., Sept. 4.—A law relating to license fees of fire and marine companies operating in Wisconsin has been approved by Governor Kohler. It requires that fire, marine or sprinkler leakage writing companies, other than companies specifically excepted, will pay a tax of 2½ percent of the amount of the gross premiums received by direct insurance, less return premiums and cancellations on direct insurance which includes all insurance other than reinsurance.

In case a company discontinues business in Wisconsin and reinsures the whole or a part of its risks without making payment of this tax, the company accepting the insurance will be required to pay the tax.

An amendment to the Wisconsin statutes relating to inter-insurance has

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

NEAL BASSETT, President

A. H. HASSINGER, Vice President

JOHN KAY, Vice President

WELLS T. BASSETT, Vice President

JANUARY 1ST, 1929, STATEMENTS

ORGANIZED 1855 FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

ASSETS	LIABILITIES	CAPITAL	NET SURPLUS	SURPLUS POLICYHOLDERS
\$56,065,676	\$19,562,550	\$13,500,000	\$23,003,126	\$36,503,126

ORGANIZED 1853 THE GIRARD F. & M. INSURANCE COMPANY OF PHILADELPHIA, PA.

\$6,036,606	\$2,834,468	\$1,000,000.00	\$2,202,138	\$3,202,138
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ORGANIZED 1854 MECHANICS INSURANCE CO. OF PHILADELPHIA, PA.

\$4,881,357	\$2,770,413	\$600,000.00	\$1,510,944	\$2,110,944
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ORGANIZED 1866 NATIONAL-BEN FRANKLIN FIRE INS. CO. OF PITTSBURGH, PA.

\$5,021,040	\$2,502,744	\$1,000,000.00	\$1,518,297	\$2,518,297
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ORGANIZED 1871 SUPERIOR FIRE INSURANCE CO. OF PITTSBURGH, PA.

\$4,837,240	\$2,492,229	\$1,000,000.00	\$1,345,011	\$2,345,011
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ORGANIZED 1870 CONCORDIA FIRE INSURANCE CO. OF MILWAUKEE, WIS.

\$5,359,805	\$2,486,092	\$1,000,000.00	\$1,873,712	\$2,873,712
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ORGANIZED 1886 CAPITAL FIRE INSURANCE CO. OF CONCORD, N. H.

\$666,599	\$196	\$300,000.00	\$366,403	\$666,403
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TOTAL OF ASSETS
\$82,868,323.00

TOTAL OF LIABILITIES
\$32,648,692.00

TOTAL NET PREMIUMS
\$23,808,303.00

WESTERN DEPARTMENT
844 Rush Street
Chicago, Illinois

H. A. CLARK, Manager
Assistant Managers
H. R. M. SMITH
JAMES SMITH FRED. W. SULLIVAN

EASTERN DEPARTMENT
10 Park Place
NEWARK, NEW JERSEY
CANADIAN DEPARTMENT
461-467 Bay Street
TORONTO, CANADA
MASSIE & RENWICK, Limited,
Managers

PACIFIC DEPARTMENT
60 Sansome Street
San Francisco, California
W. W. & E. G. POTTER,
Managers
JOHN R. COONEY, Assistant Manager

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

Worth While Agents

Q The General Agency plan of operation offers to companies a representative thoroughly qualified, in a territory which he has himself intensively developed. The General Agent is vitally interested in procuring profitable business for the company because it means profit for his own organization.

J. L. DAVIS, INC.
Alabama
BIRMINGHAM, ALA.

COATES & RAINES
Arkansas
LITTLE ROCK, ARKANSAS

L. B. LEIGH & COMPANY
Arkansas
LITTLE ROCK, ARKANSAS

EDWARD BROWN & SONS
Pacific Coast and Rocky Mountain States
SAN FRANCISCO, CALIFORNIA

COBB, MILLER & STEBBINS
Colorado, Wyo., N. Mex., Kansas and Utah
DENVER, COLORADO

DALY GENERAL AGENCY, INC.
Colorado, Wyoming and New Mexico
DENVER, COLORADO

STANDART & MAIN
Colorado, Wyoming and New Mexico
DENVER, COLORADO

HURT & QUIN, INC.
Georgia, Alabama, So. Carolina and Florida
ATLANTA, GEORGIA

A. H. TURNER
Va., N. C., S. C., Ga., Fla., Ala. & Tenn.
ATLANTA, GEORGIA

KANSAS UNDERWRITERS
Kansas, Missouri and Oklahoma
WICHITA, KANSAS

MILLER-STUDEBAKER AGENCY
Kansas
TOPEKA, KANSAS

SNYDER BROS. GEN. AGENCY
Kentucky and Tennessee
LOUISVILLE, KENTUCKY

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NEW ORLEANS, LOUISIANA

JAS. B. ROSS
Mississippi and Louisiana
NEW ORLEANS, LOUISIANA

STECKLER-WAGNER, INC.
Louisiana and Mississippi
NEW ORLEANS, LOUISIANA

[All offices participating in this publicity are members
of the Association of Fire Insurance General Agents]

Agency Service

Q The General Agent is in close touch with risks. He is in a position to know what is desirable business---and what is NOT. His aim is the same as that of the Company---to get desirable business that will assure an underwriting profit. When the Company makes money, the General Agent makes money, too--and VICE VERSA.

ENCY J. H. GOOD GENERAL AGENCY
Missouri and Kansas
KANSAS CITY, MISSOURI

NCY REYNOLDS BROTHERS
Nebraska, Colorado and Wyoming
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ROCKY MOUNT, N. C.

NC. AMERICAN AGENCY COMPANY
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TULSA, OKLAHOMA

THE T. E. BRANIFF COMPANY
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OKLAHOMA CITY, OKLAHOMA

L. N. EWING COMPANY, INC.
Oklahoma
TULSA, OKLAHOMA

E. J. HEAVNER & CO.
Oklahoma
TULSA, OKLAHOMA

PHIL GROSSMAYER CO.
Oregon
PORTLAND, OREGON

DEXTER BROS. & WHEELER
Texas
DALLAS, TEXAS

GEO. M. EASLEY & CO.
Texas
DALLAS, TEXAS

T. A. MANNING & SONS
Texas and Arkansas
DALLAS, TEXAS

TREZEVANT & COCHRAN
Texas, N. Mex., Okla., Ark. and Louisiana
DALLAS, TEXAS

FLOYD WEST & CO.
Texas
DALLAS, TEXAS

LOUIS E. ENGLISH, INC.
Virginia and North Carolina
RICHMOND, VIRGINIA

GORDON & BROWN
Virginia, West Virginia and North Carolina
RICHMOND, VIRGINIA

[All offices participating in this publicity are members
of the Association of Fire Insurance General Agents]

A theater—no tickets

Did you ever buy good tickets far in advance for the "best show in town" and then after weeks of anticipating an entertaining evening arrive at the theater and find you left your priceless tickets at home? Such happenings are only one of the annoyances of this life.

Imagine, however, how your client must feel when he discovers after an especially disastrous fire that it is impossible except by guesswork and memory to even approximate the amount of the loss. You could have made your client happy if you had insisted upon an accurate Lloyd-Thomas appraisal definitely recording in detail every item of the property. Appraisal records at such times are priceless.

Avoid forcing your clients into such predicaments by suggesting a Lloyd-Thomas appraisal.

"WHAT IS AN APPRAISAL?—It is a complete classified inventory of insurable property (except stock, merchandise and raw materials). Each item of property is valued at today's cost to replace new. The amount of accrued depreciation is determined and the sound insurable value is given.

"ITS ADVANTAGES—1st—It discloses insurable values that have long been written off the books through unscientific depreciation—2nd—It gives the agent, the assured, and the companies value facts of property. 3rd—It makes for adequate insurance protection, for in nearly every instance it calls for additional insurance."

The Lloyd-Thomas Co.

RECOGNIZED AUTHORITIES ON PHYSICAL VALUES

APPRAISAL ENGINEERS

4411 Ravenswood Ave., Chicago
120 Broadway, New York

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St. Louis
Denver
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Detroit
Pittsburgh
Minneapolis
Atlanta
Berlin

Indianapolis
Memphis
Kansas City
Des Moines
London

NEW YORK UNDERWRITERS INSURANCE COMPANY

CAPITAL \$2,000,000

A. & J. H. STODDART, General Agents

100 William Street - - - New York City

FIRE - AUTOMOBILE - WINDSTORM
BUSINESS INTERRUPTION INDEMNITY

also been approved by Governor Kohler and provides that in lieu of all other taxes, licenses, or fees whatever, state or local, such attorney shall pay annually on the account of the transaction of such business in Wisconsin, a filing fee of \$25 and a license fee of 2 percent upon the gross premiums or deposits during the preceding calendar year, deducting all amounts returned to subscribers or credited to their accounts other than for losses, except that the fee shall be at the rate of 2 3/4 percent upon the same basis for the insurance mentioned in subsection (1) of section 201.04 and that from such latter fees there shall be set apart the fire department dues mentioned in the section 201.59.

Mauthe Heads Committee

Assemblyman Carlton W. Mauthe, author of the joint resolution which provides for an interim investigation of fire insurance affairs in Wisconsin, including the management and conduct of affairs of the Wisconsin Inspection Bureau, has been named a member of the legislative interim committee which will conduct the investigation.

Other assembly members of the committee will be Assemblyman McDowell, conservative, of Crawford county, and Assemblyman Martin, a Democrat. The senate appointments have not been announced as yet.

Mr. Mauthe charged that a monopoly exists in the fire insurance business under state protection, and that the rates are exorbitant rates.

Provide for Uniformity

The Edwards bill providing a comprehensive law relating to registered town mutual insurance companies insuring against fire and lightning, or any new corporation organized under the act, may become a registered town mutual by adopting the articles of incorporation and by-laws prescribed in the act and by writing policies in the standard form prescribed, has received the signature of Governor Kohler.

The purpose of the act is to bring uniformity into the town mutual business, and the prescribed policy form is similar to the standard fire insurance policy prescribed for stock companies.

Minnesota Agents Meet in October

ST. PAUL, Sept. 4.—Secretary Gilman announces that the annual meeting of the Minnesota Association of Insurance Agents will be held the first week in October, probably at Albert Lea. The program is now being arranged.

Milwaukee Improvement Bonds

MILWAUKEE, Sept. 4.—The fire department improvement bonds recently held invalid by Attorney Charles B. Wood, Chicago bond expert, can be made valid by simply having the council repass the ordinance, according to a revised opinion to the city controller based on a law recently passed by the Wisconsin legislature which specifically exempts fire department bonds from the

requirements of a referendum vote. The \$200,000 fire department issue this year is for construction of new firehouses in North Milwaukee and at 1119 Galena street, and remodeling the quarters at Virginia and Clinton streets. Work will also be started on the Kinnickinnic valley high pressure system to replace engine 17, a fire boat.

Wisconsin Adds Members

MILWAUKEE, Sept. 4.—What is believed to be a record for membership campaigns of its kind has been set by the Wisconsin Association of Insurance Agents in the campaign started early in August and which is still under way. Up to Sept. 1, 55 members had been added to the roster. Robert J. Pittelkow of Charles Pittelkow & Sons is chairman of the membership campaign.

Weather Extremely Hazardous

MINNEAPOLIS, Sept. 4.—Grover M. Conzet, commissioner of forestry and fire prevention in Minnesota, has issued a warning to township fire wardens against the most hazardous fire weather in recent years. The forest service has been called upon to fight fires and keep on duty almost a full force of men since the first part of April.

Club Opens Meetings

MINNEAPOLIS, Sept. 4.—The Insurance Club of Minneapolis opened its fall series of luncheon meetings yesterday. President F. W. Corell presided. F. C. Beery, manager of the safety department of the automobile club, spoke. Vice-president B. E. Nyrop is chairman of the entertainment committee.

Brown to Address St. Paul Exchange

ST. PAUL, Sept. 4.—The annual meeting of the Insurance Exchange of St. Paul will be held at the St. Paul Athletic club the evening of Sept. 11. Commissioner Garfield W. Brown will be the speaker.

Wisconsin Notes

The Central States Service Bureau, Wausau, Wis., has incorporated. Herman Behm, J. C. Hintz, J. L. Bandekow and D. Behm are the incorporators.

The E. A. Sonnenberg Agency, Green Bay, Wis., has filed articles of incorporation. The incorporators are M. Sonnenberg and J. McHale.

Robert J. Pittelkow of Charles Pittelkow & Sons is one of the incorporators in the new bank for downtown Milwaukee which is to be opened about Nov. 1 at 191 Fourth street.

Emil Tanck of Watertown, Wis., for a number of years prominent in the insurance business which he conducted with his father, the late August Tanck, died at his home there. He had been ill for five months.

Roy L. Nicholson, state agent for the Michigan Fire & Marine, addressed the Rotary Club of Ripon, Wis., at Green Lake. He spoke at the invitation of Lyndon C. Waters of the Waters Agency, Ripon, Wis.

The Milwaukee Board opened its cooperative advertising campaign with the appearance of the first advertisement of the series appearing in a local paper Aug. 28. The advertisement appeared on the same date as one of the advertisements of the National Board.

IN THE MISSOURI VALLEY

PROTEST KANSAS TAX CHANGE

Domestic Companies Object to Being Put On Same Basis as Those From Outside State

TOPEKA, KAN., Sept. 4.—The insurance companies domiciled in Kansas are preparing to make a strenuous fight against the proposal of the tax code commission to place the domestic companies on the same premium tax basis as those incorporated outside the state. A 2 percent premium tax on the Kansas companies would raise approximately \$250,000 in additional taxes. At present the tax code commission does not see any reason why the domestic companies

should not pay the same tax as the foreign companies.

The domestic companies were given a hearing before the commission, in which they set out the many reasons why the local companies should not be taxed. They urged that the local companies are all small and have a hard time competing with the bigger and older eastern companies and that placing the 2 percent tax on them would simply make competition harder for Kansas companies. They urged that the tax was never imposed on the Kansas companies, purely for the purpose of giving the local companies a slight advantage and to promote the establishment of companies in this state.

The companies presented a table

showing the premium incomes on Kansas business on the basis of 1928 as follows: Fire insurance, \$366,090; casualty, \$322,759; life, \$6,395,534; fraternal, \$3,276,772; mutual associations, \$143,875; hail, \$247,543; mutual fire, \$1,024,208; total, \$11,776,781.

The tax code commission was authorized by the 1929 legislature to study the tax question and submit plans for revising the tax laws, raising additional revenues and particularly to remove part of the tax burden from the land and place it in upon other forms of property.

NEBRASKA DEPARTMENT HEAD NOT SELECTED BY GOVERNOR

LINCOLN, NEB.—Governor Weaver has not yet acted upon the urgent request of insurance leaders in all branches that a permanent head for the state insurance department be selected. The last ten days influences have been brought to bear to secure the consideration of the name of J. M. Tegarden of Weeping Water, but no indication was given that he would be named. Mr. Tegarden has been active in politics for a number of years, and while he has been a director of the Nebraska Farmers' Mutual for a number of years, he has had no direct contact with the business and no active experience in other lines than that of local agent of fire and casualty companies in connection with his business as a real estate man.

Campaigns Against Incendiarism

TOPEKA, KAN., Sept. 4.—Douglas Graham, Kansas state fire marshal, is making a drive against incendiarism. In a letter to all of the fire insurance companies writing business in Kansas, the fire marshal is asking that instructions be given

to all local agents to make a careful investigation before issuing insurance to strangers and also to see to it that every risk is of the approximate value declared by the insured.

Mr. Graham said that the insurance companies have it within their own power to materially reduce the number of incendiary fires by a more careful scrutiny of the business that their agents accept.

Morrison Gets Two Companies

John K. Morrison of Omaha has been appointed general agent for the American Home and American Constitution Fire of New York, the two new companies of the Frelinghuysen group, which have just been licensed in Nebraska.

Iowa Notes

The Marshall building at Glenwood, Ia., was swept by fire Aug. 28 with loss estimated to be about \$60,000. Fire started in the elevator shaft and caused \$25,000 damage to the building, \$22,000 loss to the Spurgeon Dry Goods Company and \$13,000 smoke, fire and water losses to the Newton grocery, A. & P. store and other concerns in the block.

A fire of an undetermined origin broke out in a business block at Brayton, Ia., and before it could be gotten under control it had destroyed 13 business buildings. Help was summoned from Audubon and Atlanta but before the firemen could do anything they had to build a temporary dam in a little creek near by so as to get a supply of water. The loss was \$27,000.

Nebraska Notes

The Republic Fire of Pittsburgh has been licensed in Nebraska.

James W. Trumble, secretary since 1912 of the Farmers Mutual of Nebraska, died at his home in Lincoln Aug. 31, after an illness of several months, from diabetes. He was 62 years of age, and had been in the insurance business for 22 years.

STATES OF THE SOUTHWEST

"LLOYDS" MENACE GROWING

Easy License Laws in Texas Permits Forming of Concerns Without Cash Assets

DALLAS, TEX., Sept. 4.—What has the earmarks of a rather aggravating situation, so far as insurance companies, agents and the insuring public, appears to be rapidly developing in Texas in form of an increased number of "Lloyds" springing up in all sections of the state.

During the past few months a dozen of these underwriting concerns have come into existence in Texas through permission of the state insurance department. It is reported a score of others are in process of organization and that soon any city which does not have a half dozen of these companies, or any

town or village which does not boast one will be "back numbers."

Under the laws of Texas these Lloyds find it easy to obtain permits to do business in the state. The insurance department appears concerned only with the provisions of the law in granting permits to write fire and automobile business to these organizations, and it is simple for those wishing to have a company of the kind meet the requirements of the statutes, insurance men in Dallas say.

License Easy to Get

The Texas laws say these companies must have a minimum "guaranty fund" of \$40,000 and a minimum of five stockholders or persons connected with them. That does not mean that these Lloyds must post \$40,000 with the insurance department as a guarantee that it will liquidate claims. It simply means that any one wishing to organize one of these companies may do so, and a license to do business in Texas will be granted when it is shown that at least five persons are connected with the venture and the assets of the company show to be at least \$40,000. Recently most of the concerns taking advantage of the law have reported "assets of \$40,000," it is pointed out.

The insurance department, according to company officials and agents, does not investigate the real value of the "assets" of these companies. The law does not require that this be done. It is sufficient for the department to see that the companies have \$40,000 in cash or collateral, and in the majority of cases the assets are merely personal notes which may be valueless.

NON-POLICY WRITING AGENT CONDEMNED IN RESOLUTION

At the joint meeting of the directors and regional vice-presidents of the Texas Association of Insurance Agents in Fort Worth a resolution was adopted condemning the non-policy-writing agent



Old New Orleans

ONE of our oldest cities, New Orleans is full of historic associations. It is also one of the most important commercial cities in the South. Like most American cities, New Orleans underwent a serious conflagration, this one occurring in 1925 with a property loss of four million.

Today New Orleans' homes, industrial, and commercial establishments, and other property, valued at millions of dollars, are safeguarded by modern fire insurance furnished by sound stock fire insurance companies like the Carolina.

The CAROLINA INSURANCE COMPANY

WILFRED KURTH, Pres.

WILMINGTON NORTH CAROLINA NEW YORK OFFICE 59 MAIDEN LANE

DEPENDABLE

Great American Indemnity Company New York

Casualty Insurance Fidelity and Surety Bonds

Large Enough to Serve You Well
Small Enough to Know You

Hotel Atlantic Chicago

450 Rooms \$2.00 to \$4.00
Clark Street & Jackson Blvd.
ROESSLER & TEICH, Managers



"JUST A BLOCK OR TWO FROM EVERYWHERE"

The Hotel Hollenden is ideally located for the convenience of the visitor whether he is in Cleveland on business or pleasure. Within a block or two of the Hollenden will be found the leaders in practically every activity of the city. Just a block or two away are the theatres, the shopping centers, the banks, the Public Auditorium and the principal office buildings. Located right in the heart of things, the Hollenden has for decades served the requirements of the most discriminating visitors.

1050 ROOMS — 1050 BATHS
300-CAR FIREPROOF GARAGE
RATES \$3.00 AND UPWARDS

In Cleveland It's
THE HOLLENDEN
Theo. DeWitt, Vice Pres. & Gen. Mgr.
Superior Ave. at East Sixth St.

In Cleveland - It's THE HOLLENDEN

Re-Insurance Corporation of America

Treaty and Facultative Fire Reinsurance

Total Assets Jan. 1st, 1929, \$2,154,292.71

Horace R. Wemple, President
60 John St., New York
FACULTATIVE OFFICES

CHICAGO OFFICE ATLANTA OFFICE SAN FRANCISCO OFFICE
172 W. Jackson Blvd. Hurt Bldg. 114 Sansome Street

Prompt Adjustments

For many years this company and its predecessor have been building up a golden "Good Will" with a wide range of satisfied policy holders through prompt adjustments of all proper claims.

The company's agents have profited greatly through the "Good Will" thus created in their territories.

This has been a powerful factor in increasing the company's and its agents' business.

PHILADELPHIA FIRE and MARINE INSURANCE COMPANY

HEAD OFFICE: 1600 Arch Street, Philadelphia
CHICAGO: 209 West Jackson Boulevard
SAN FRANCISCO: 200 Bush Street
ATLANTA: 8th Floor, Hurt Bldg.

and asking the companies to refrain from getting a license for any one not on the full time basis. The resolution called attention to the fact that the public is losing confidence in having uninformed men counsel them in their insurance matters. A copy of the resolution was sent to all the companies admitted in Texas in the hope that cooperation will be secured.

Another resolution was passed calling attention to the urgent need of confidence between the local agents in Texas and the companies in matters of mutual interest.

A resolution from the Wichita Falls Insurance Exchange was also approved, which requested the Texas association to call to the attention of the National association the importance of having some member of the national body on the board of the directors of the Chamber of Commerce of the United States.

ASSOCIATION DROPS AGENCY FROM MEMBERSHIP ROLL

OKLAHOMA CITY, Sept. 4.—The Eugene Whittington Insurance Agency has been dropped from membership in the Associated Fire & Casualty Underwriters of Oklahoma City as the result of planting an agency with an alleged financial institution. The Whittington agency is charged with having planted with Mrs. F. McWilliams, assistant treasurer of the Oklahoma Saving & Loan Association of Oklahoma City.

The local board also charges that the Whittington company is planting agencies with small contractors who are not entitled to be in the insurance business, and that policies for such agencies are being written in the general agency's office.

When advised of the association's action on the matter Mr. Whittington appeared before the association and stated that other general agencies of the city were making similar plants and that he felt justified in doing the same thing.

Agitation on this question is expected to arise in other parts of the state, and a hard fight is foreseen by several of the executive committee of the association.

Sends Warning to Schools

AUSTIN, TEX., Sept. 4.—Warnings to schools in Texas to make a thorough inspection of buildings for fire hazards before the opening of the fall term have been sent out by the state fire insurance department. Precaution against fire from student smoking is especially urged.

A call for participation of all cities and towns in "Fire Prevention Week," Oct. 6-12, has been issued by the department. A suggested program for the week was sent to city fire marshals and mayors.

Many Texas Cotton Losses

The Wallace gin at Coleman, Tex., sustained \$53,000 damage by fire Friday, with 50 percent insurance carried.

The D. G. Nixon gin at Pawnee, Tex., was destroyed by fire. The building, valued at \$15,000, carried only a small part of its value in insurance and the entire local crop of 4,000 bales must be handled by the two remaining gins of the little city.

Fire, thought to have originated in a bale of cotton being ginned, destroyed the Smith & Delaney gin at Roane, Tex., together with 25 bales of cotton and 10 tons of cotton seed. Loss is estimated at \$27,500 with \$13,500 insurance.

The Underwood compress at Wolfe City, Tex., burned, with loss calculated to run higher than \$25,000 on the compress and cotton, in addition to a number of freight cars which were destroyed while loaded with cotton.

Improvements in Dallas Suburbs

DALLAS, Sept. 4.—The Dallas suburbs of Highland Park and University Park have taken active steps to establish better fire fighting facilities. University Park is beginning to drill its third well, having found demands of the past hot months have drained the present supply to its capacity and pressure has been very unsatisfactory at best and unsafe in event of fire. It will spend \$50,000 on the new well and equipment. Highland

NATIONAL SERVICE

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FIRE
INSURANCE
COMPANY
of
Hartford
WESTERN
DEPARTMENT
Chicago

Park has begun a thorough overhauling of its fire-fighting apparatus and will order new hose and other necessary equipment in an effort to maintain the municipality's enviable record of no fire during the entire year other than grass and trash fires.

Miller Addresses Meeting

OKLAHOMA CITY, Sept. 4—R. M. Miller, manager of the Oklahoma Audit Bureau, was speaker at a meeting of the Associated Fire & Casualty Underwriters of Oklahoma City, last Saturday noon. Mr. Miller is successor to W. B. Clinite as manager of the bureau.

Revocation a Mistake

OKLAHOMA CITY, Sept. 4—Revocation of the license of H. E. Rupp by the Oklahoma insurance board will probably be reconsidered according to A. L.

Roark, secretary. The license was revoked by default and the default was due to misunderstanding, Mr. Roark said. Mr. Rupp is charged with writing policies for unadmitted insurance companies.

Oklahoma Notes

The entire business district of the little town of Fanshawe, Okla., was destroyed by fire Monday, with loss of \$35,000.

F. J. Gould has purchased the insurance business of the late Judge A. L. Strong at Blackwell, Okla., and will continue to operate at the same location, 110 South First street.

S. H. Stewart of Tulsa, secretary of the Oklahoma Association of Insurers, with E. H. Gilbert and H. E. Bethel, is making a vacation trip through the northeast on their way to the national convention in Detroit.

IN THE SOUTHERN STATES

NASHVILLE SITUATION BETTER

All Interests Affected Cooperate Effectively to Improve Conditions in That City

NASHVILLE, TENN., Sept. 4.—There has been a very wholesome and unexpected change brought about in this city by the united efforts of the city officials, in which the fire prevention department of the state heartily co-operated. Nashville is waging a real fight against fire waste. The city officials have been aroused because the fire losses so far this year will equal or exceed last year's figures of \$9.43 per capita. The Tennessee Inspection Bureau in charge of Manager J. H. Norton is lending its assistance in furthering the movement. Forward steps have been taken and the people of the city deserve credit for what they have done.

In November, 1924, a \$3,000,000 water-works bond issue was passed. Since then steps have been taken in various ways to check the fire waste through more efficient people in office. The city council passed an ordinance creating a city fire marshal. He found alarming conditions prevailing in the city and reported to the commissioners. James Southall, state commissioner of labor and fire, created the office of chief fire marshal and appointed J. W. McKnight of Murfreesboro for this office. Additional money was appropriated by the city council to strengthen the fire department in a number of ways. The fire loss so far this year amounts to \$1,000,000. Every attempt is being made, therefore, to cut down the loss next year. All hands are cooperating in this movement.

Big Incendiary Losses Reported

Fires believed of incendiary origin caused total fire loss of about \$290,000 to industrial plants in Asheboro, N. C. While definite figures have not been divulged, indications are that the loss was only partially covered. The largest single loss was to the Asheboro Chair Company plant, about \$150,000. The Home Building, Inc., suffered a loss of \$140,000.

Probe Alleged Incendiary Fire

LOUISVILLE, Sept. 4—Investigation is being made of a fire in the residence of Louis P. Hyman, apparently of incendiary origin, which caused loss reported at about \$8,000. Hyman is a Louisville junk dealer. Firemen discovered blazes burning at six different places in the building, the one in the attic having made the greatest headway.

Deputy State Fire Marshal Edward Bright, Special Agent E. H. Black of the National Board, Deputy State Fire Marshal George Schneider, Chief of Detectives Yarberry, W. S. Taylor, assistant prohibition administrator, have been investigating, the latter after receiving a report that liquor had been taken from the house.

NEW BRANCH OFFICES OPENED

Southern Adjustment Is Expanding Its Operations by Giving a More Extended Claim Service

The Southern Adjustment Bureau, in order to render more efficient service, and to expedite the handling of claims, has considered it advisable to effect throughout its territory certain changes. The organization announces the opening of offices in Roanoke, Asheville, Knoxville and Albany, Ga.

Heretofore only one office has been maintained in Virginia—that in Richmond; but appreciating the difficulty of furnishing prompt service from one point over such a wide area, it was deemed advisable to divide the territory and open a branch in Roanoke. This office will operate independently of Richmond.

Florida Offices Separated

In Florida the Tampa and Miami offices, which in the past reported to Jacksonville, have been made independent operating units.

Keeping pace with the ever increasing tendency towards specialization, a department has been established for the purpose of supervising adjustments of cotton losses under marine cover, and of use and occupancy claims.

In order to carry out the program outlined, it was necessary to shift a number of adjusters, as well as to add others to the staff. For this reason there is submitted below a tabulation of offices and personnel:

Georgia

Atlanta—Chas. I. Mell, Jr., R. N. R. Bardwell, Jr., J. F. Therrel, adjusters. Albany—Paul M. Douglass, adjuster. Savannah—Donald A. Fraser, adjuster in charge; R. R. Sawtell, adjuster. State at Large—H. L. Manson, R. A. Redding, Sims Bray, A. W. Malone, Jas. L. McLean, J. J. Lyon, adjusters. Marine and Use and Occupancy—R. A. Redding, Sims Bray, adjusters.

Virginia

Richmond—Robert M. Friend, manager; R. R. Connelly, B. A. Robertson, Lewis Lunsford, adjusters. Roanoke—F. G. Tucker, manager; J. R. Loyd, adjuster.

North Carolina

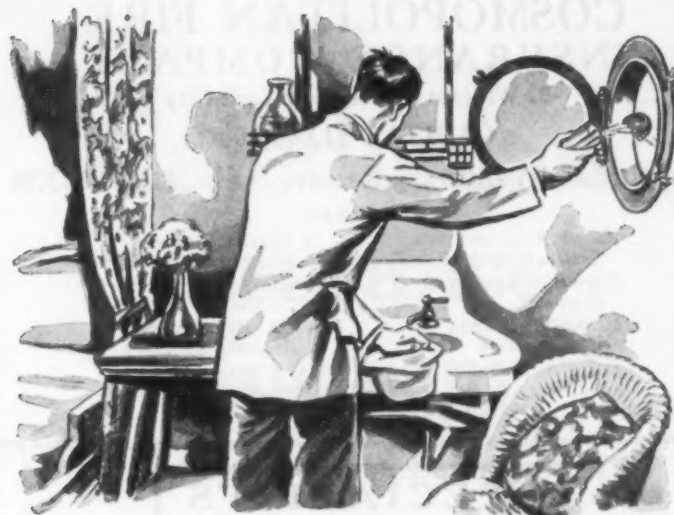
Raleigh—John F. Hoff, manager; A. H. Green, E. F. Peschau, J. S. Manning, J. G. Rainey, adjusters. Charlotte—D. H. Sadler, manager; H. G. Heyward, Jr., E. P. Kearsley, adjusters. Asheville—J. G. Bruce, resident adjuster. Greensboro—G. D. Holding, resident adjuster.

South Carolina

Columbia—H. M. Bray, manager; W. H. Davidson, H. D. McCaskill, adjusters. Greenville—W. F. Ritchie, resident adjuster.

Florida

Jacksonville—H. G. Heyward, man-



Teeth Tossed Out of Porthole

Passenger on board a Transatlantic liner, had placed his artificial teeth in a glass of water in his stateroom. The steward, not knowing the teeth were in the glass, threw the water and the teeth through the port hole. Passenger collected \$750.00 for loss of the teeth under an "All Risks" Tourist Floater Policy arranged through

A. F. SHAW & CO., Inc.

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Chicago, Ill.

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New York City

General Agents—"All Risks" Department
Saint Paul Fire & Marine Insurance Co.

The TOKIO

MARINE AND FIRE INSURANCE COMPANY, Limited

United States Fire Branch: 80 John Street, New York

J. A. KELSEY, General Agent GEORGE Z. DAY, Ass't Gen. Agt.

U. S.—Statement December 31, 1928

ASSETS	\$10,841,544.57
PREMIUM RESERVE	2,440,278.09
OTHER LIABILITIES	866,029.87
NET SURPLUS	7,535,236.61

Chicago Branch: 175 West Jackson Blvd.

Frederic O. Hesse
Field Supervisor

Alfred J. Couch
Manager Brokerage and Cook County Depts.

COSMOPOLITAN FIRE INSURANCE COMPANY

92 William Street, New York City

CAPITAL \$1,000,000

Surplus and Voluntary Reserve . . \$1,508,043.98

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JAMES LEE KAUFFMAN President	FRANCIS E. STORER Treasurer
HENRY W. WILSON Vice-President	W. A. RATTILMAN Assistant Secretary
JAMES A. BLAINIE Vice-Pres. & Sec.	M. L. FITZPATRICK Assistant Treasurer

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New York Stock Exchange Chicago Board of Trade
Chicago Stock Exchange Asso. Member, N. Y. Curb Ass'n.

Refer to Quotations that appear regularly in
THE NATIONAL UNDERWRITER

FIRE REINSURANCE TREATIES

Eagle Fire Insurance Company
(NEW JERSEY)

Baltica Insurance Co., Ltd.
(DENMARK)

Franklin W. Fort

Thomas B. Donaldson

18 WASHINGTON PLACE, NEWARK, N. J.

The LIBERTY INSURANCE COMPANY

HOME OFFICE DAYTON, OHIO

Automobile Insurance—Full Coverage—All in One Policy

Plate Glass and General Liability Insurance

Assets Over 1½ Million—Surplus to Policyholders \$600,000

Agents wanted in Alabama, Arkansas, California, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Missouri, Ohio, Oklahoma, Tennessee and Texas.

J. R. Jones,
Sec'y & Mgr.

ager; C. R. Woolery, W. B. Hollis, J. S. Mathes, adjusters.
Orlando—A. H. Smith, Jr., resident adjuster.
Tampa—George V. Long, manager; R. D. Bowers, L. A. Baarcke, adjusters.
Miami—H. H. McFern, manager; F. L. Davis, adjuster.

Alabama

Birmingham—J. M. Lawrence, manager; B. S. Gilbert, A. B. Frese, T. L. Rountree, Edwin B. Eady, C. M. Hart, adjusters.
Montgomery—J. P. Dismukes, J. L. Fulghum, adjusters.
Mobile—J. M. Baarcke, resident adjuster.

Tennessee

Nashville—George B. Raine, manager; Robert Forker, H. E. Mohler, adjusters.
Memphis—J. W. Evans, manager; W. F. Follin, J. C. Kenyon, adjusters.
Chattanooga—E. R. Cotter, manager; George R. Hatchett, adjuster.
Knoxville—C. R. Dickert, manager; John M. Heath, Jr., adjuster.

Knoop Names Committee

LOUISVILLE, Sept. 4—E. C. Knoop, state agent for the Aetna and president of the Kentucky State Fire Prevention Association, has named his committees for the year. The chairmen are: Executive, E. A. Parsons; farm, G. C. Cundiff; speakers' bureau, T. G. Wilds; fire department and waterworks, Capt. S. G. Renter; schools, J. R. Watson; inter-chamber fire waste and public relations, Capt. S. G. Renter; contest and essay, B. B. Bean.

Georgia Leaders Go to Detroit

AUGUSTA, GA., Aug. 4—Forming a congenial party to the annual convention of the National Association of Insurance Agents at Detroit are the following Georgia association leaders: C. F. Powers of Savannah, president; Scott Nixon of Augusta, secretary-treasurer; Sidney O. Smith of Gainesville and Albert R. Menard of Macon, members of the executive committee.

Augusta Agencies Merged

AUGUSTA, GA., Sept. 4—The recently formed agency of Fortson & Law has merged with the Southern Finance Corporation of this city. Wm. F. Law, Jr., will be connected with the insurance department and H. A. Fortson with the real estate and loan department. The companies represented by Fortson & Law will go into the Southern Finance Corporation's office.

Suit Over Alabama Insurance

Insurance men are watching with interest a suit filed in court at Dothan, Ala., over \$104,000 of fire insurance on the plant of the Gulf Region Lumber Company, whose plant at Headland, Ala., burned June 17. A check for this amount from the insurance companies, made payable jointly to receivers for the company and the Guardian Trust Company of Cleveland, O., mortgagee, is being held by the First National Bank of Dothan, Ala., until the matter is settled.

The Industrial Acceptance Corporation of New York, with claims of \$96,000 against the lumber company, seeks to share with creditors in the insurance funds and claims that the mortgage to the Guardian Trust Company is invalid, since it was executed within the four month period prior to the institution of bankruptcy proceedings against the lumber company.

Alabama Blue Goose Meeting

The Alabama Blue Goose will hold a big fall splash at Signal Mountain, Tenn., Sept. 12. The business session and initiation ceremonies have been tentatively set for late afternoon and immediately following adjournment of this meeting there will be an informal dinner party with the ladies in attendance. C. Parker Smilie, most loyal gander, has announced that those ganders addicted to golf may participate in a tournament the afternoon preceding the meeting.

School Fires Bring Appeal for Care

Recent burning of four school houses in Alabama has led D. M. Slaughter, state fire marshal, to appeal to principals, superintendents and teachers to cooperate fully in steps to better protect school property in the state.

He calls attention to the fact that the public schools will soon reopen and asks authorities to prepare in time to prevent recurrence of the heavy losses which have been suffered. Most fires, he stated, are due to negligence or carelessness.

Kentucky Notes

Harry M. Heath, connected with Booker & Kinnaird, Louisville, has lost his father, William Henry Heath, 81, retired business man of Louisville.

Arch Pulliam, deputy state insurance commissioner, and acting head of the department, announced the suspension of license of J. E. Ruggles, Corbin, Ky., on the ground of failure to pay accounts.

The 20 employees of Booker & Kinnaird, Louisville, had the novel experience this week of traveling to camp in an airplane. The trip was made from Louisville to the camp of Austin Kinnaird in Bullitt county.

Approximately 300 members of the Liberty Club, composed of employees of the Liberty Fire and Liberty Bank & Trust Company of Louisville, and their friends were entertained at an outing at Turner's Camp, on the river above Louisville.

John Gray Neeley of Glasgow, Ky., has gone to Owensboro, Ky., taking over the interest of his father, the late R. H. Neeley, in the insurance firm of Neeley & McKinney. He has been in the automobile business in Glasgow.

Southern Notes

The Morgan-Dean Realty Company, a new Birmingham office, has taken the agency for the London Guarantee & Accident and the County Fire.

Heath, Bolster & Turner, wholesale grocery and produce house of Augusta, Ga., recently suffered with almost a total loss. The Warner Reciprocal of Chicago has \$61,000 on stock and \$23,000 on building and \$2,000 on furniture and fixtures. Stock companies were interested to the extent of only \$11,000 on stock and \$6,500 profit insurance.

ON THE PACIFIC COAST

REPORT 80 PERCENT IN LINE

Officials of Pacific Board Say Agents Very Generally Signing Separation Agreement

SAN FRANCISCO, Sept. 4—Officials of the Pacific Board report that indications point to about 80 percent of the California agents signed up to clear and to operate as strictly board company agencies in the future. Sept. 1 was the limit of time permitted for the producers to complete the agreement in order to obtain the increased commissions as of July 1.

There has been more discussion on the subject of separation throughout the Pacific Coast than any other subject for many years past and for weeks there was opposition expressed by local agents in many sections, numerous agency meetings being held in various strategic assembly points of California.

In Montana the agents have until Sept. 15 to complete clearing, but it is understood that there is strong opposition to the movement.

The principal objection seems to have been in the matter of signing the clear agreement, the agents contending that it was drawn in such a form and presented to them in a manner which they resented. However, in San Francisco the last few days of August managers expressed optimism over the situation. In some districts there is still confusion over general conditions and relief has been requested in the event the non-board companies agents organize to raid the business of the board agents.

Fire Company Offers Life Service

William L. Wallace, vice-president of the Associated Fire & Marine of San Francisco, announced to local brokers last week that arrangements had been made with the Western States Life of

San Francisco, whereby the fire company will provide for brokers a complete life insurance service with the assistance of trained life underwriters.

SUIT IS FILED FOR \$1,800,000 AFTER COLLISION ON COAST

SAN FRANCISCO, Sept. 4.—The San Francisco & Los Angeles Navigation Company, operator of the ill fated steamer San Juan, which was sent to the bottom of the Pacific Aug. 30 after colliding with the Standard Oil steamer Dodd, has filed suits against the owners of the latter vessel demanding \$1,800,000 in behalf of passengers and crew and \$500,000 in behalf of the owners of the cargo carried by the vessel when it was struck. The owners of the San Juan place the blame for the disaster on the officers of the Standard Oil tanker.

Yocum to Assist Inman

SAN FRANCISCO, Sept. 4.—G. A. Yocum, one of the leading fire underwriters in this territory and well known for his educational work, has become associated with the Fidelity & Guaranty Fire as assistant to Guy A. Inman, who was appointed Pacific Coast manager upon the company's entry into California and who is now perfecting his organization.

Mr. Yocum is one of the principal instructors in fire insurance at Golden Gate College and has been active on the educational committee of the Fire Underwriters Association of the Pacific. He has also devoted a good deal of time to writing along educational lines.

Mexican Officers Visit Tucson

TUCSON, ARIZ., Sept. 4.—Angel Rosas, chief of the insurance department of the Mexican government, accompanied by an expert accountant, and Alfredo Levy, Alianza representative in Mexico City, recently visited this city, where they were met by a reception committee headed by E. H. Apodaca. A. A. Sedillo, supreme president of the Alianza, also was in Tucson and conferred with the officials in regard to activities of the Alianza in Mexico. A courtesy visit was paid to the Arizona corporation commission.

Lumber Leads in Oregon Losses

SALEM, ORE., Sept. 4.—The lumbering industries of Oregon suffered the heaviest losses from fire in July, according to a report submitted by Fire Marshal Clare Lee, which shows that they amounted to \$179,950 in six fires. Farm properties were next with \$126,378; city dwellings and contents caused losses of \$47,684, hotels and lodging houses, \$42,000, mercantile and other business

risks, \$22,675, assembly halls \$12,000, garages and service stations \$5,525.

Marshal Lee shows that the state losses amounted to \$1,846,000 for the first seven months of this year, which is given as \$56,000 less than the same period of 1927 and \$909,000 less than the first seven months of 1928.

Blue Goose Meets at Oakland

SAN FRANCISCO, Sept. 4.—Eleven new members were initiated by the Blue Goose at a ceremonial held in Oakland Friday evening. Charles Harris, most loyal grand gander, was present and spoke of the preparations for the grand nest convention in San Francisco Sept. 24-27. Mr. Harris said that from the returns to questionnaires sent out he anticipated one of the largest conventions ever held.

The program for the convention has now been practically completed. More than 25 trophies have been donated for the golf tournament, which will be one of the principal entertainment features. The evening entertainment to be given by the various managers for their respective coworkers promises to be out of the ordinary.

New Phoenix Finance Company

PHOENIX, ARIZ., Sept. 4.—The State Finance Corporation has opened for business in the Arizona Fire building. H. L. Rogers, former manager of the Ozark Finance Company, Springfield, Mo., and now a resident of Phoenix, will be manager. He will be assisted by William G. Flay, who for the past year has been appraiser and collector for the Surety Finance Company.

Jackson Goes to Conference

Ward S. Jackson, San Francisco manager of the Crum & Forster fleet on the Pacific Coast, accompanied by Mrs. Jackson, has gone to attend a general conference of territorial executives at the head office.

Ellingson Makes Change

John G. Ellingson has been appointed special agent for the Charles B. DeMille general agency in Montana and Idaho. He was formerly with the Northwestern National in the Montana territory for eight years.

Coast Notes

The Herbert S. Prince Company, Phoenix, Ariz., has added an insurance department in connection with its real estate and loan business.

The National Automobile Club, service unit of the Pacific Coast Automobile Underwriters Conference, was the host at an elaborate luncheon given to Eugene Biscailuz, recently appointed superintendent of the new California highway patrol. Mayor James Rolph, Jr., of San Francisco and a number of other prominent dignitaries were among those in attendance.

IN THE MOUNTAIN FIELD

WYOMING OFFICIAL PRAISED

Commissioner Thulemeyer Elicits Commendation on His Record From the Press of His State

The Wyoming "State Tribune" the other day ran an editorial on Theodore Thulemeyer, the insurance commissioner. Mr. Thulemeyer is making good in his position. He was district manager of the Mutual Life of New York for Cheyenne for a number of years. He is thoroughly familiar with legislative work. The editorial stated that when he accepted appointment he had well defined and positive ideas regarding why the office existed and how it should be administered. The editorial said that if every public officer had the same conception of the responsibility of public office that inspires Mr. Thulemeyer and exercised it with equal intelligence and courage the whole structure of government would be imbued with new significance in the public mind.

HAIL EXPERIENCE BETTER

Colorado Reports Low Loss Ratios Although Premium Volume Is Curtailed Greatly

DENVER, Sept. 4.—This has been a favorable year for hail insurance in Colorado, losses considered, but the business written was small, it has been revealed by figures covering the season just closed.

The loss ratio for one group of companies this year was 24 percent against 88.6 percent for last year, but the premiums collected were only \$122,000 as against \$521,000 for last year.

The small amount of business written is ascribed by local insurance men to poor crop conditions. There was a shortage of irrigation water during the growing season and the low price of wheat during that period was discouraging to insurance volume.

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SAFE SOLID SOUND

operating under the new law, enacted last winter, reports \$550,000 business written with premiums of \$58,000 and losses of \$26,000. Weld county, often reported as hazardous territory, held 107 policies; Yuma county, 84; Phillips county, 50, and Washington, 50.

There are now only 21 companies doing a hail business in Colorado while there were 36 in 1922.

Colorado figures, compiled over a period of 14 years, indicate aggregate premiums of \$8,928,473; losses \$6,892,250, and a loss ratio of 77.3 percent.

Receiver for Consolidated F. & M.

DENVER, Sept. 4.—Judge Calvert has appointed W. R. Thomas, a stockholder in the Consolidated Fire & Marine of this city, as receiver in a voluntary action brought to straighten out the affairs of the company in conformity with an order issued last March by Commissioner Cochrane.

The company has liabilities of \$2,000,-

000 in face value of policies outstanding. Its assets were not stated. The commissioner found that its capital was impaired and would not renew its license "unless the impairment is fully restored."

The company now seeks, through the Denver court, to restore its standing sufficiently to resume business.

Takes Drastic Action

DENVER, Sept. 4.—Frederick W. Standart of the Standart & Main agency of Denver, is secretary of the board of St. Luke's hospital of this city. When some special nurses at the hospital rebelled against the rules requiring all nurses to take their meals at St. Luke's, he ordered that just as soon as they have completed their present work the rebel nurses will be barred from the institution.

The Millers Mutual Fire of Harrisburg, Pa., and the United Mutual Fire of Boston have been licensed in Colorado.

EASTERN STATES ACTIVITIES

ICEHOUSES HARD TO PLACE

Recent Loss at Litchfield, Conn., Brings Up Question of Coverage on This Class of Risks

BOSTON, Sept. 4.—The recent loss on the Bantam Lake Ice Company's property at Litchfield, Conn., which has just been settled as total on \$45,000 insurance, has brought the subject of icehouses in New England sharply to the fore. There was no question as to the moral hazard in this case. It was A-1 icehouse property, well-cared for and fine management. Trespassers are thought to have been responsible for the blaze.

One examiner sizes up the situation as to icehouse property very tersely by saying that icehouses are now in the same class as car-barns. In other words, their day has gone by, as is the case with livery stables and other old-time business that have given way to modern change.

This examiner says that the day for cutting and storing ice is past. He believes that within five years, outside of a few isolated, small-town private ice-businesses, there will be nothing to it but artificial refrigeration. One of the biggest ice companies in New England has dropped all insurance on its icehouse property, and is carrying thousands of dollars worth of buildings on its books at \$1. In other words it is marking off its icehouses, and gradually increasing its artificial output so that within a few years it will cut out entirely the old-fashioned method of ice-harvesting.

To date the moral hazard has been negligible, but it is believed that from now on it will play an important part. It is said that the insurance companies have never made a dollar insuring icehouses, although possibly some money has been made on insuring ice. At the present time only 18 or 20 companies will write this class in New England, and agents who have large lines are put to it to secure sufficient coverage.

Eastern Notes

The Bay State Insurance Agency has been started at Providence, R. I., by Vincent Siravo and John Pansera.

Gustav Bruilknern, president of the Bruilknern & Schmidt agency, Buffalo, N. Y., died at his home in Parkside avenue following an illness of eight weeks. He was 61 years of age, having been engaged in insurance activities for many years.

Warren J. Frost, who has been operating a local agency at Rochester, N. Y., under the name of Loss Prevention, Inc., has merged his business with that of the John P. Hancock Company of Buffalo, which has just opened a Rochester office at 424 Cutler building.

REESTABLISHES HOME OFFICE

County Fire Will Hereafter Carry on Its Home State Business from Philadelphia

The Great American, which owns the County Fire of Philadelphia, is reestablishing the home office of the County at 110 South Fourth street, Philadelphia, so that all the Pennsylvania business will be handled there.

The Pennsylvania department of the Rochester American will be opened in the same office under the same management. Herbert J. Hill, secretary of the County Fire, will be in charge of the office and will also be manager of the Rochester American. John D. Talley, assistant secretary of the County Fire, will also be the assistant. Lee R. Allen will be special agent of the County Fire in Philadelphia. Special Agent G. G. Carick and C. O. Markle will handle both companies in eastern and western Pennsylvania.

Knapp Joins Mutual Bureau

BOSTON, Sept. 4.—Harold A. Knapp, for the past three years an inspector with the Underwriters Bureau of New England, now the Eastern Underwriters Inspection Bureau, has resigned from that organization to become associated with the Mutual Fire Inspection Bureau of New England. He will begin his new duties Oct. 1.

MOTOR INSURANCE

SAY LOSSES ARE DECREASED

Adjusters in Central Western Territory, Especially in Chicago Metropolitan District, See Improvement

Adjusters of automobile losses in the central west and especially those working in Chicago state that there has been a remarkable decrease in the loss ratio within the last year. This is particularly true with fire and theft losses. The metropolitan district of Chicago shows a remarkable improvement in theft claims. The Chicago police department has improved conditions materially in recent months. The new chief of police is doing a good piece of work. This is evidenced by the fact that burglary companies find their loss ratios reduced in Chicago territory.

An adjuster who does a large amount of work in Chicago said that 96 percent of the cars that are stolen these days are recovered. He finds that the majority of the claims are small. There

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TODAY

Buyers of insurance are demanding the best. Realizing this the Twin City Fire has developed until it is able to serve them completely and satisfactorily in all their insurance problems.

Writing fire, tornado, farm, automobile, hail, tractor and fur coat floater insurance in 33 states.

TWIN CITY FIRE
INSURANCE COMPANY
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may be an increased number but they run below \$200. Personal injury claims undoubtedly are increasing but so far as fire and theft losses are concerned they have been materially reduced. In commenting on the automobile loss experience this adjuster said:

Comment on Loss Situation

"I have watched the underwriting of automobile business and am satisfied that not much is being accomplished by so-called careful selection if by that one means the insuring of high priced cars and men of considerable affluence. If a man who has other insurance to place in considerable amounts incurs any sort of a claim he is paid regardless of its merits. Agency and broker pressure in such cases is enormous. Just for example a wealthy man had his car shipped to Florida. When it was taken from the train it was found to have a scratch on the side. He insisted that the insurance company have the whole car repainted. He took it up through the agency that places the rest of his insurance. The company had to succumb. It is men of large income who are valuable to insurance agents and brokers, but they force the payment of claims that would not be recognized if they did not have this influence or at least they

would be scaled down considerably. They would be adjusted solely on their merits.

"In cases of this kind too the driving is more reckless because the young folks in the family use the cars, go to parties, drink booze, have money to spend and become daredevils. It is the modest sort of family that it pays to insure. The more I look at the automobile business the more convinced I am that it pays to get volume and the loss ratio will take care of itself. That may not work in all branches of insurance but in automobile it seems to me that it will."

"Service Company" Agents Cited

LINCOLN, NEB., Sept. 4.—Citations have been issued by Commissioner Kizer for five Omaha agents to show cause why their licenses should not be revoked. The men are R. E. Brenner, who is president of the National Automobile Association of Omaha, S. Lied, Frank Corcoran, H. W. Haldeman and J. L. Lyon. They were served with warrants recently, sworn out by other Omaha agents, who charged them with petty larceny in the obtaining of premiums in connection with the sale of a service contract alleged to have been represented to buyers as full coverage for accident insurance.

IN THE CANADIAN FIELD

LIMITS BROKERS' AUTHORITY

Can Place Only Fire Business With Unauthorized Companies, Ontario Insurance Department Holds

TORONTO, Sept. 4.—Following a hearing in the Ontario department of insurance, Superintendent R. Leighton Foster has issued a ruling that in respect to their power to place business with unlicensed insurers, brokers are restricted to fire insurance contracts. One of the questions was what constituted a fire insurance contract, and in his statement he describes such contracts as those "customarily recognized by the business as fire insurance contracts."

"This being my view," he continues, "all licensed brokers are hereby advised that, in the opinion of the department, their authority is restricted to negotiating contracts of fire insurance only with unlicensed insurers, and that it will regard as a contravention of the act any attempt by licensed brokers to place insurance under the authority of their license, which is not primarily fire insurance."

The hearing was attended by about 20 interested persons, including several licensed brokers accompanied by counsel, a committee of managers representing the Canadian Casualty Underwriters Association, and representatives of other interested insurance organizations. Glyn Osler spoke on behalf of special brokers, while V. Evan Gray was present as counsel for the Canadian Casualty Underwriters Association.

DISMISSAL OF ATTACK ON INSURANCE ACT IS REFUSED

TORONTO, Sept. 4.—In a judgment handed down recently in Toronto, Justice Rose dismissed the motion of the attorney-general of Canada for an order striking out the statement of claim made by the attorney-general of Ontario in an action brought by the latter against the former for a declaration that certain sections of Dominion insurance act are ultra vires the parliament of Canada.

The plaintiffs' statement in claim asserts that questions have arisen as to the validity of various provisions of Dominion legislation affecting insurance in force from time to time and some of the questions have reached the courts, resulting in certain important provisions being declared ultra vires. The Dominion act as in the revised statutes of 1927

(Chap. 10), does not, as the plaintiff submits, give full effect to such decisions, and companies and persons desiring to insure or to be insured, and the plaintiff as minister in charge of the administration of the Ontario insurance department, and all government officials administering insurance laws are seriously embarrassed owing to the doubt that exists as to whether the whole or any part of the Dominion insurance act has the force of law.

MARINE NEWS

TONG WARS BRING PREMIUMS

Chinese Insure Bodies Shipped Back Home for Embalming and Other Expenses of Relatives

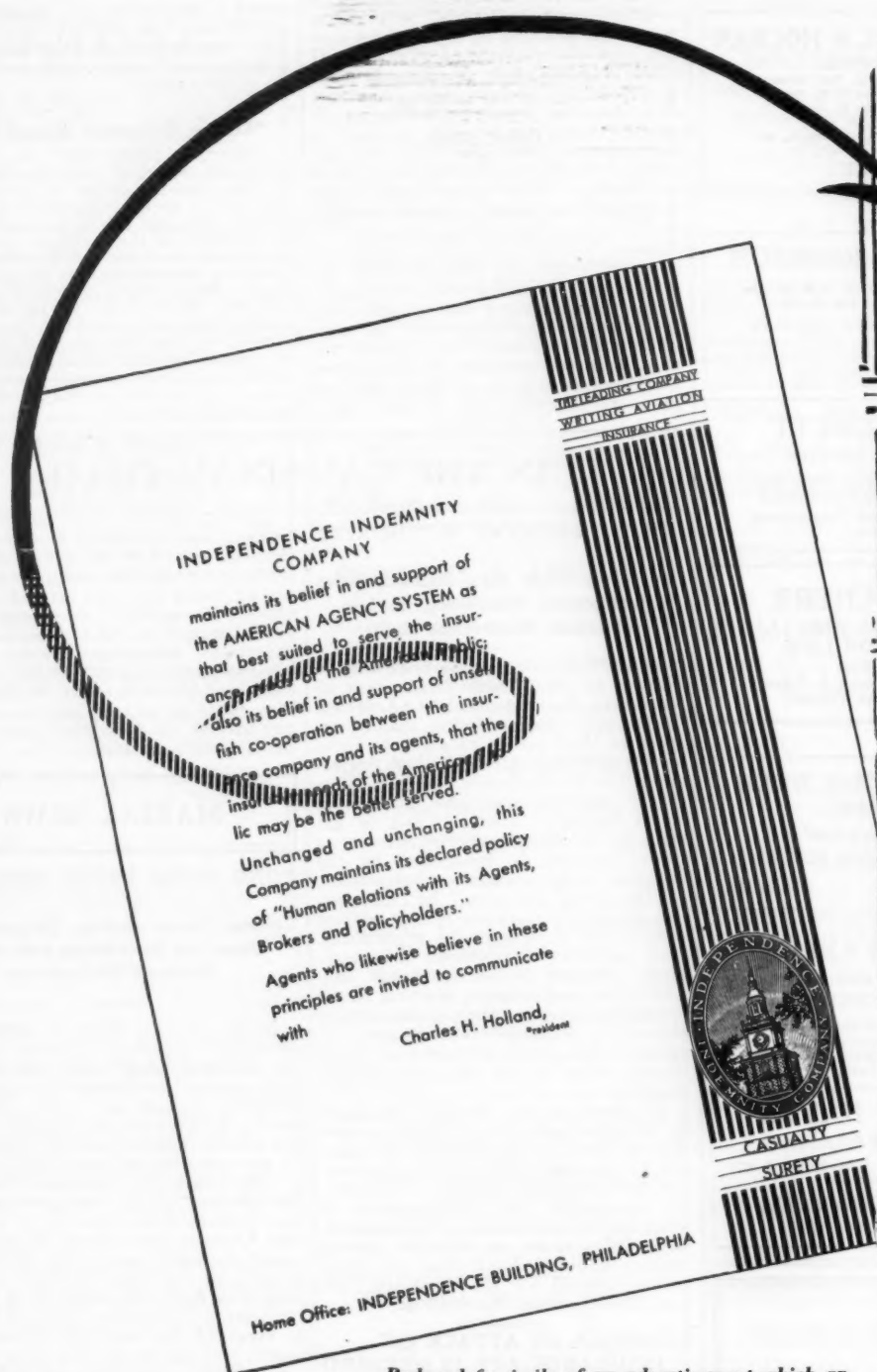
NEW YORK, Sept. 4.—While not generally considered as factors influencing business, tong wars, such as have been reported in Boston, Chicago, Philadelphia, Newark and other cities recently, do have an effect upon companies writing marine insurance, according to an executive of the Fidelity-Phenix. "The activity of the tongs," to quote the official, "affects underwriting interests because of the practice of many of the Chinese, particularly members of secret organizations, to ship back to the home land the bodies of their countrymen who die upon foreign soil."

"After a ceremonious funeral, a body is arranged for transport by rail and water, and during the trip it is insured against loss under the marine form of coverage for the amount that has been contributed for embalming and other expenses by the friends or relatives of the deceased."

"The custom of making such arrangements are safely delivered to the desire of orthodox Chinese people to be reunited in death with their ancestors on their native soil, and to be accorded the reverential attention paid by descendants to their ancestors at semi-annual memorial services."

"The thrifty practice of insuring the bodies en route to China is followed to safeguard the monies disbursed, in case the trains or vessels on which shipments are made meet with any accidents. Fortunately, most of the consignments are safely delivered to the celestial resting places."

In Witness Whereof:



Reduced facsimile of an advertisement which appeared in the August insurance journals.

REVISE AVIATION COMMISSION SCALE

Independence Companies to Pay Producers More for This Business

President Charles H. Holland of the Independence Companies of Philadelphia has announced the following scale of commissions to be paid for various forms of aviation insurance to be paid to general agents of the two companies for new and renewal business, effective on and after August 21: Fire, crash, windstorm theft and other coverages written by the Independence Fire, 20 per cent; liability, passenger liability, property damage personal accident and other coverages (except workmen's compensation) written by the Independence Indemnity 25 per cent; workmen's compensation 17½ per cent. Brokerage will be 7½ per cent less than the above rates.

In explanation of the increase in commissions Mr. Holland says:

"We have felt for some time past that, compared with other classes of insurance, the commission paid on aviation insurance is inadequate, and too low to properly compensate agents and brokers who devote time to its study and cultivation. Until now we have been unable to remedy this situation, owing to the heavy burden of expense that has been involved in our past method of having this class of business underwritten and handled. Now that we have taken steps to terminate that method, and to substitute our own staff of trained and qualified underwriters, we believe that the producers of the business should share in the economies thereby effected, and, rather than postpone the date of the increase in commissions until September 30, when the change in our underwriting practice becomes effective, we have decided to make the change in commissions operative as from today (August 21)."

(Journal of Commerce)
8-23-29

THE INDEPENDENCE COMPANIES

Home Offices: INDEPENDENCE BUILDING, PHILADELPHIA

CHARLES H. HOLLAND, President

The National Underwriter

September 5, 1929

CASUALTY AND SURETY SECTION

Page Thirty-five

Rate Schedule Shows Increase

Massachusetts Commissioner Files Tariffs Under the Compulsory Law

HAS THREE NEW ZONES

Gives Some Information on Loss Experience With Automobile Insurance Throughout the State

BOSTON, Sept. 4.—Insurance Commissioner M. L. Brown has filed a tentative schedule of rates and classifications under the compulsory automobile act which gives an aggregate increase of about 3 percent and makes eight zones instead of five on private passenger cars. Chelsea, Revere and Boston each is placed in a zone by itself. The accident experience in these three cities is higher than any others, Chelsea leading the list. A number of towns and cities are given decreases on their experience. A 2½ percent allowance for profit is continued.

A public hearing has been called for Sept. 9 by Commissioner Brown to review the new schedule.

Reserves Were Checked

The commissioner had special examiners appointed to study the experience and much of their attention was given to the verification of reserves estimated by the companies as necessary to pay unsettled claims or those that were before the courts. They found that the aggregate amount was substantially in accordance with the estimate. In his message accompanying the rates he said:

"Rates were predicated on an expected loss ratio of 65.5 per cent. In other words, it was calculated on the experience available when those rates were fixed, that the companies would incur an average loss of 65.5c for each dollar of earned premium. For the two policy years of 1927 and 1928, however, figured on the basis of the 1929 rates, the average loss ratio has been 67 per cent, or 1.5 per cent more than the figure upon which the 1929 rates were based.

Increasing Expense Cost

"In addition there has been an increasing expense cost due to an increasing number of claims. For passenger cars alone there were 34,603 claims in 1927 and 36,670 claims in 1928, making an increase of 2,067 claims in 1928 over 1927.

"The insurance companies have suggested that the commissioner fix a rate schedule for 1930, which would represent an aggregate increase of slightly more than 11 per cent over the 1929 rates, of this increase about 2 per cent was accredited by them to the higher loss ratio than had been provided for, and 9 per cent to increased expenses, a part of which the experience indicated

Assessment Suits Are Filed on Policyholders

RECIPROCAL MEMBERS STUNG

William Penn Motor Indemnity Exchange and Federal Automobile Insurance Association Press Payment

INDIANAPOLIS, Sept. 4.—Two hundred suits have been filed in two Marion county, Ind., courts during the last few weeks to collect assessments from those who have had insurance in the William Penn Motor Indemnity Exchange, the reciprocal of Pittsburgh, now being liquidated by Commissioner Taggart of Pennsylvania. The insurance law firm of Slaymaker, Merrell, Ward & Locke of this city represents the commissioner. The company had several policyholders in Marion county and more suits will be filed, covering the remainder who have not paid the assessment. The amounts of these claims range from a few dollars to about \$200. The William Penn was declared insolvent last fall and quit operations in November. Under the Pennsylvania law the insurance commissioner liquidates an insolvent reciprocal and makes assessments. In this case the assessment is for one year's premium on each policy. All the complaints contain 15 printed pages for each automobile insured together with a copy of the policy and extracts from the Pennsylvania insurance laws covering reciprocals. Some of the cases have been tried and judgments rendered.

Federal Automobile Case

That many persons were insured in the Federal Automobile Insurance Association, the reciprocal now insolvent and in liquidation in Indianapolis, without knowing it has been brought out by the levying of the assessment against members. These had bought automobiles through finance companies, the latter placing fire and theft insurance on the cars and retaining the policies. This practice is common and it is hard to make some of the policyholders realize that they were insured with this type of carrier. But the receiver has uniformly been able to give them the car numbers and names of dealers, as a result of which many of these have paid their assessments without further struggle.

was due to the increasing number of claims.

Shows 3 Percent Increase

"The proposed schedule represents an aggregate increase of approximately 3 per cent. Substantial reductions, however, will also become effective where justified by the experience if the proposed rates are finally promulgated."

The average claim frequency for each territory as proposed per 100 private passenger cars insured a full year was as follows, territories 1, 2 and 3 being respectively, Chelsea, Revere and Boston; one, 27.2 per cent; two, 21.2 per cent; three, 15.1 per cent; four, 12.4 per cent; five, 9.5 per cent; six, 6.5 per cent.

(CONTINUED ON LAST PAGE)

Southern Surety Ordered to Cancel Risk-less Line

COMMISSIONERS IN HEARING

National Council Presses Charge of Rate Cutting — Carrier Pleads "Unusual Arrangement"

ST. LOUIS, Sept. 4.—A complete investigation of general practices of companies in writing large lines of workmen's compensation and similar covers is contemplated by the departments of several states, Joseph B. Thompson, Missouri superintendent, announces.

The decision was reached by commissioners of six states who sat as a special informal commission in St. Louis, Aug. 30 on complaint that the Southern Surety of New York had cut compensation rates fixed by the National Council on Compensation Insurance nearly 25 percent in writing cover for the Roxana Petroleum Company and Shell Oil Corporation. These two companies maintain general headquarters in St. Louis and have thousands of employees scattered throughout the country, including Missouri, Kansas, Texas, Iowa, Minnesota, Wisconsin and Oklahoma.

Council Started Action

The complaint against the Southern Surety was brought by the National Council and that body was represented at the hearing by Clarence W. Hobbs, special representative of the commissioners. The council sought to penalize the Southern Surety by not only requiring it to withdraw from the risk but also to agree not again to seek this business for at least a year. This the Southern Surety refused to do and at its request Commissioner Thompson of Missouri requested the departments of other states to be represented at the hearing.

Those sitting in were Garfield W. Brown of Minnesota, Milton A. Freedy of Wisconsin, Walter S. Pope, casualty commissioner of Texas, Charles F. Hobbs of Kansas, Ray Yenter of Iowa and Commissioner Thompson of Missouri. Commissioner Reed of Oklahoma was unable to attend.

Council's Charge

The council charged that the oil risks had been written on cut-rate basis. Evidence did not fully substantiate this charge, because of the unusual arrangement between the carrier and its client, but testimony of several witnesses caused the commissioners to decide that a thorough general investigation of practices of leading companies in writing insurance would be well worth while.

The Southern Surety presented the written arrangements under which the oil company risk was written, stating that it had not complied with a resolution of the National council for its withdrawal from the risk because it did not believe its arrangement with the Roxana-Shell companies could be termed the "writing of business on a cut-rate basis", and further because it believed the resolution was unusual and unfair in that it demanded not only that the Southern cancel the risk but also that the Southern should agree not to solicit

(CONTINUED ON LAST PAGE)

Grant Plans to Build a Fleet

Business Men's Assurance Will Organize Two Auxiliary Companies

TO HAVE FULL COVERAGE

Will First Establish a Casualty Running Mate and Then Will Promote a Fire Corporation

W. T. Grant, president of the Business Men's Assurance of Kansas City, in his talk before the star salesmen of his company at their annual meeting at Charlevoix, Mich., last week announced that the company had now taken preliminary steps to incorporate a casualty company to write multiple lines and later on it will incorporate a fire company to write all fire insurance lines. President Grant stated that he felt that the time had come when an all-around insurance service should be given by a company group.

Development of Fleets

He called attention to the development of company fleets and said that in his opinion the various lines of insurance help the other. In other words, it is his opinion that a life company gets a very favorable reaction from a fire company under the same management. He believes the time is coming when an agent will see the great advantages in being able to furnish all kinds of insurance.

It is understood that it is the plan of the Business Men's Assurance to organize a financial holding company so that the three companies can be united through this medium. While the plans have not been matured, it is stated that undoubtedly agents and policyholders will be offered the opportunity to subscribe for stock on favorable terms. At the present time a number of agents hold stock in the Business Men's Assurance.

Remarkable Development Seen

President Grant stated that during the last 10 years all lines of insurance have developed in a remarkable way. Fire insurance, he said, had increased 60 percent in that period and casualty insurance 160 percent so far as income is concerned. Life insurance in force has increased from \$900,000,000 to \$2,400,000,000. He believes that it is possible under the same management to carry on three different major classes of insurance with the overhead cut down considerably and the agents offering all around insurance facilities.

Business Men's Growth

The Business Men's Assurance has had a rapid and substantial growth. It is 20 years old. It now has \$300,000 capital and \$661,889 net surplus above

(CONTINUED ON LAST PAGE)

Fuller and Goodwin Protest New Massachusetts Rates

MAJORITY ACCEPT SCHEDULE

Old Political Opponents of Adequate Auto Liability Premiums Step Into Limelight Again

BOSTON, Sept. 4.—Alvan T. Fuller, former Massachusetts governor, and Frank A. Goodwin, former registrar of motor vehicles, have again jumped into the limelight with violent protests against the new Massachusetts automobile liability rates. The mayors of Chelsea, Revere and Boston, the cities most affected by the new schedule, are advocating appeal to the courts for relief and claim an effort will be made to show the law, as carried out in the rate schedules, to be unconstitutional.

Newspapers in the cities affected are making much of the outcry and it is a case of political campaign material against hard cold facts. A gratifying effect of the new schedule has been the very general and hearty support of the press throughout the state generally in support of the new rates. Outside the three cities most seriously affected, the press is inclined to view the situation calmly and to give full weight to the experience disclosed which has demonstrated the companies are sustaining heavy losses on the business in the metropolitan Boston district. Massachusetts as a whole is not inclined to view with favor the distribution over all the state of the heavy loss claims made in the metropolitan district and the result has been a strong rally in favor of the insurance companies and the position of the insurance commissioner.

The agents and brokers are still left holding the bag, for they will get no more for their work and after the hard blow they got last year and the year before in decreased commissions the outlook is very discouraging. Undoubtedly the commissioner and the bureau would have been glad to allow something more along the expense line, but the pressure against any increase was so great that little more could be done than has resulted.

St. Louis Has Good Record on Deaths from Accidents

ST. LOUIS, Sept. 4.—With 203 accidental deaths from all causes the first seven months of this year, St. Louis had a death rate of 40.6 per 100,000 population, according to statistics compiled by the Safety Council of St. Louis.

St. Louis stands first of all the large cities in the country so far as accidental death rate is concerned, and but five smaller cities showed a better record. These were Wilmington, 9.2; Rochester, 17; Syracuse, 26.2; Louisville, 27.6, and Grand Rapids, 31.7.

Of the cities that compare with St. Louis in population, Boston made the best showing, with a record of 56.6 per 100,000, while Cleveland showed 81.9.

Would Reduce Auto Death Rate

BUFFALO, N. Y., Sept. 4.—Representatives of casualty agencies have been invited to meet the directors of the Automobile Club of Buffalo and the manager of the safety bureau of the Chamber of Commerce to work out some program for reducing this city's automobile death rate, recently shown to be the highest in the country among cities of 100,000 or more. According to Harry J. Gould, president of the automobile club, which is planning the death reduction campaign, drastic action will be taken if necessary to reduce the fatalities and prevent the city from getting the undesirable publicity incident to its unenviable position. The Buffalo Casualty Underwriters Association has planned its cooperation in any sound program that may be presented.

To Hold Meetings



L. W. BURGER

The Chicago branch office of the United States Fidelity & Guaranty is arranging for a series of five meetings to which it will bring agents and brokers for an intensive educational and training course on selling casualty insurance. The first will be held at Moline Sept. 16. The second will be at Rockford Sept. 17. A Chicago meeting will be held Sept. 18. There will be a meeting at Aurora Sept. 19 and a return engagement to Chicago Sept. 20.

W. O. Schilling, manager, L. W. Burger, city supervisor, will be in charge and Superintendent of Agents Philip F. Lee and Mr. Montague, automobile specialist from the home office, will be present to assist in talking to the salesmen.

Mr. Burger said, in announcing the course, that agents are not taking advantage of the opportunities the casualty business offers. He said most of them are very well informed on regular automobile contracts and the other well established lines but such coverages as contingent automobile liability insurance is sadly neglected. Although there are many manufacturers and store managers who are exposed to danger of great financial loss through liability for accidents caused by their employees driving automobiles, few are adequately protected from such loss. It is felt these group meetings will reinforce the work of the special agents and aid in increasing casualty production.

Miss Chlo Peterson Has Risen to Real Heights

Miss Chlo Peterson, publicity director of the Business Men's Assurance of Kansas City, started with that company as a young girl in the office, coming in from a country town. She was a so-called "list" clerk and was paid \$7 a week when she started. Later she became secretary to President W. T. Grant. She went into war service and returned to the office, taking up publicity and literary work. She gets out literature for agents, edits the agency bulletin and takes care of the publicity. She is a past president of the Business & Professional Women's Club of Kansas City and is now vice-president of the Advertising Club of Kansas City. Miss Peterson is one of the prominent business women of Kansas City and impresses all with her many charms.

Be a Plunger! Risk \$2 on a subscription to The Casualty Insurer. Monthly, \$2 a year. A-1946 Insurance Exchange, Chicago.

Semi-Annual Casualty Statements

(As reported to the Governor of Georgia)

	June 30, 1929		Jan. 1 to June 30, 1929	
	Assets	Net Surplus	Income	Disburs.
Aetna Casualty	\$39,446,734	\$14,134,657	\$10,978,664	\$ 8,447,620
American Casualty	3,971,882	819,218	1,301,551	1,052,543
American Employers	7,616,920	1,413,947	4,644,441	2,411,169
American Mutual Liab.	24,256,211	4,016,223	9,436,713	8,670,666
Bankers Indemnity	6,007,642	1,500,000	2,821,104	1,416,891
Central Surety	4,112,543	1,207,222	1,435,927	1,027,875
Columbia Casualty, N. Y.	6,819,364	1,225,157	2,550,354	2,428,689
Commercial Casualty	15,058,840	2,500,000	7,075,271	6,550,865
Constitution Indem.	4,453,305	494,492	2,324,235	1,883,455
Employers' Liability	39,030,893	7,344,710	18,260,094	15,699,092
Fidelity & Casualty	40,334,604	8,197,012	15,286,217	14,009,928
Fidelity & Deposit	28,964,892	7,182,539	7,514,763	6,787,619
General Accident	24,262,053	3,632,462	11,453,331	9,197,579
Globe Indemnity	36,770,150	5,000,000	12,717,024	11,657,868
Hartford Live Stock	1,570,576	614,158	378,633	362,776
Home Accident	2,591,417	214,369	1,495,546	1,488,282
Indemnity of N. A.	21,004,445	4,381,822	9,232,895	7,686,824
Liberty Mutual	21,070,732	3,244,168	9,534,551	7,926,424
Maryland Casualty	48,177,246	6,472,227	17,685,139	15,921,637
Massachusetts Bonding	21,204,499	6,328,969	7,085,440	5,598,057
Monarch Accident	1,391,462	307,739	1,166,244	1,212,219
New Amsterdam Casualty	27,603,812	7,000,000	8,118,743	7,140,498
New York Casualty	7,088,151	2,441,463	1,927,206	1,803,482
New York Indemnity	7,683,481	264,528	2,987,409	3,760,763
Phoenix Indemnity	3,841,982	375,733	1,854,361	1,521,459
Royal Indemnity	24,597,403	3,615,891	7,043,814	9,793,693
Standard Accident	35,755,149	14,718,752	10,789,634	11,026,927
U. S. Fidelity & Guar.	70,097,654	16,844,518	24,058,986	21,798,658
Western Auto Casualty	1,737,262	500,000	408,211	341,025
Zurich General	18,053,881	2,100,000	7,326,013	6,279,997

General Casualty Will Extend Its Operations

SEATTLE, WASH., Sept. 4.—Application for preliminary papers in all states in which the General of America is now operating is being made by its casualty carrier, the General Casualty. Up to this time the casualty company has been writing principally in Washington and to some extent in Oregon and Idaho and automobile lines in California.

O. H. Beyer, manager of the casualty department here, declared that writing of casualty lines, instead of covering three or four states, will shortly serve 18 states and certain provinces in Canada. In preparation for this extension of business Mr. Beyer is preparing additional policies so that the casualty service of the General group will cover all general surety and casualty lines.

U. S. Casualty Covers Many Bus Companies in Illinois

SPRINGFIELD, ILL., Sept. 4.—The Illinois commerce commission has approved a petition of the United States Casualty to issue a policy covering personal injury and property damage for all busses operated by the Pickwick-Greyhound lines, Illinois Greyhound lines, Interstate Stages, Mohawk Stage Lines Corporation, Royal Rapid Corporation, Safety Motor Coach lines, Southwestern Michigan Motor Coach Company, Greyhound Lines, Sunny South Lines, Twin-City-Southern Bus Company, Mohawk Stage Line Company, Pioneer Stages and Tri-State Bus Company. The limits on liability are \$20,000/\$200,000, with property damage of \$10,000.

Take American Liability Agency

The American Liability & Surety of Cincinnati has appointed the Erie Insurance Agency Company of Cleveland as general agent. This agency is under the management of Burt A. Miller, J. Harry Rowe and Louis A. Blusinsky in the Engineers National Bank building. These men took over the agency with the idea of developing the business in Cuyahoga county.

Chicago Offices Consolidated

The Chicago branch office of the New York Indemnity which company was recently merged with the Union Indemnity group has been merged with the Chicago office of the Union Indemnity. All New York Indemnity business now reports through the Chicago branch office of the Union Indemnity which is under the direction of Associate Managers J. M. Hogle and T. E. Dunne.

Aim of Connecticut Law at First Is to Get Experience

HARTFORD, Sept. 4.—Connecticut's new risk rating law for auto operators will be administered conservatively with extreme cases to be attacked first and with an immediate aim of establishing experience in mind. Robbins B. Stoeckel, motor vehicle commissioner, has announced. Mr. Stoeckel assures operators that all will have an equal chance at the start to avoid the extra costs of financial responsibility in insurance or bonds as provided for in the law which makes the records of drivers a basic factor in determining the cost of this responsibility. Past performances will not affect the rating.

Undesirable Risks Pay More

The law does not affect operators without accident records. It makes undesirable risks pay more in premiums and the careful driver pay less. Operators are divided into three groups. The state rates the person as a risk and the company imposes the corresponding premium. Thus, drivers put in Class A must pay 10 percent more premiums than called for in the basic rate; Class B, 25 percent more and Class C 50 percent more.

School Officials Protect Themselves Against Suits

INDIANAPOLIS, Sept. 4.—In spite of a ruling by the Indiana attorney-general, which sets out that public officials are not responsible in case of accidents to school busses, township trustees in many sections of the state are taking out liability insurance through the drivers of the busses. The matter of insurance arose following the passage of a new automobile law by the last legislature. The law sets out that townships and other taxing corporations are liable in case of an accident involving the township's school busses. The attorney-general, however, declared this clause of the law unconstitutional and advised the trustees to pay no attention to it.

Many trustees are taking no chances, however, and are protecting themselves through insurance. One reason, it was said, is because they might be liable personally because of the fact they hold a public office. Then, too, there is a popular public demand for such insurance. Most of the insurance is paid for rather indirectly through a slight increase in the wages to bus drivers, which increase enables the bus driver to procure insurance without cost to himself.

Completion Bonds Bring Large Premium Income

BUSINESS WELL DEVELOPED

Surety Companies Are Interested in Extending Their Writings in This Particular Line

NEW YORK, Sept. 4.—A considerable share of the premium income of the surety companies comes from the issuance of completion bonds. Business of this character has developed markedly within the past decade. The huge concentration of capital in all major industries has induced if it has not compelled large construction plants, to insure the completion of which surety bonds are insisted upon. Only recently a bond of this character for \$7,000,000 was placed on a project on the Jersey shore. Bonds of equal if not greater amounts, it is anticipated, will be required when several proposed mercantile building projects in this city are whipped into final shape.

A completion bond by a responsible surety company is a guaranty to bondholders in an enterprise that the structure they have invested in will be built according to specifications. In case of default for any cause on the part of the management or contractor, the surety office or offices behind the project will see it through to a finish. Knowledge that a large building enterprise is bonded facilitates the sale of its securities and few contracts are now entered without such guarantee.

The rate for the coverage is 1½ percent of the face of the bond. That the business is not one of pure velvet for the surety corporations, but rather presents many hazards in the consideration of which expert underwriting knowledge is required, is evidenced by the recent default on an important project in this city, the two interested surety offices being required to pay something over a \$1,000,000 to complete the structure.

Lloyds Casualty Advancing

In the first seven months the Lloyds Casualty of New York City secured \$786,948 in premiums. Its premiums in July alone totaled \$222,603, compared with \$58,478 for the same month of 1928. The total assets are now \$5,458,948. Under its reorganization program and new management the Lloyds Casualty is striking a gait that promises to carry it well to the fore in the not distant future.

Federal Surety Plans Convention

Agents of the Federal Surety will hold their first annual convention in Davenport Oct. 8-10, with the convention program devoted to a discussion of various insurance and bond contracts. A program of entertainment will also be provided.

Casualty Notes

The Glens Falls Indemnity has been licensed in Texas.

The Northwest Casualty of Seattle has been licensed in Colorado.

Among the more important field appointments by the Standard Surety & Casualty of New York City are those of A. J. Schunk & Co., Minneapolis, and of A. H. Henly, Newport News, Va., as general agents for both casualty and surety lines.

The last of the ambulance chasing bills sponsored by the Milwaukee Bar Association was dragged from the enrolling room by the Wisconsin senate and killed. The bill, known as 227 S, related to soliciting, investigating and adjustment of personal injury claims.

Members of the Portage, Wis., common council have been divided as to placing the renewal of the city's compensation insurance, and at a recent meeting of the common council it was left to the finance committee to place the insurance with the company offering what is believed to be the most advantageous proposition from the standpoints of reliability and economy.

Recent Automobile Decisions Given

Held that whatever be the negligence of Schwartz in crossing New Brunswick avenue at a rate of speed sufficient to move a loaded truck in this manner, Knudson admits that he saw it coming, and coming "so fast that he knew he could not make it across in front of it." He adds that he put on his brakes and stopped—the mute evidence of Schwartz's car shows that he did not. The case seems clearly to present a situation in which, admitting that Knudson had the right of way, which may well be the case, it was obvious to him that Schwartz was not going to respect his rights—and in that situation he was guilty of contributory negligence by going on. The verdict was against the weight of evidence. Knudson vs. Schwartz, Supreme Ct. N. J.

In this action for damages for personal injuries received in a collision between defendant's bus and the automobile in which plaintiff was riding, which was being driven by her husband, held that if the negligence of plaintiff's husband proximately contributed to plaintiff's injuries such negligence is imputable to plaintiff and will constitute a defense just as effectively as if the injuries had resulted from her own negligence. Bowman vs. Motor Transit Co., Dist. Ct. Appeals. 2nd App. Dist. 1st Div. Calif.

Appellant had the right of way at an intersection and although he looked in both directions, he did not see respondent's approaching car until too late. Respondent was admittedly negligent in not looking out for appellant's oncoming car, and in not giving it the right of way. The question is whether appellant was contributorily negligent in that he failed to observe the approach of respondent's car from his left. Held, that the question of appellant's duty to protect himself against the approach of an automobile, which is manifestly not going to give him the right of way, is immaterial in this case. Respondent was negligent, since he should have seen appellant's car and it was his duty to stop and allow it to pass. This he did not do and his negligence is established. The negligence of appellant did not proximately contribute to the collision and is of no consequence. Reversed. Breihaupt et al. vs. Martin, Supreme Ct. Washington.

Sues Insurer for Interest

PORTLAND, ORE., Sept. 4.—Suit has been filed in federal court by Ross B. Clark against the New Jersey Fidelity & Plate Glass to collect interest on \$40,570 from Jan. 4 to Aug. 30. The action grew out of an automobile accident March 31, 1928, when Walton Shea, who was insured by the defendant company, struck a wagon on which the plaintiff was riding.

In 1928 Clark brought suit for \$50,570 against Shea and the jury allowed the full amount. Shea was covered by the New Jersey for \$10,000 and an action was brought for this amount, plus interest. Federal Judge Bean held the company liable in this amount and the sum was paid.

Clark now contends that the company is liable for the interest on the remaining \$40,750 of the judgment.

Newman Made Assistant Treasurer

Robert Newman has been appointed assistant treasurer of Insurance Securities Company.

Mr. Newman is 25 years of age and has been with the company for seven years. Previous to his employment by the Union Indemnity he attended Tulane University.

The United States Guarantee has been licensed in Nebraska.

Disability Coverage Vital Issue in Insurance Today

Two vital problems are troubling the insurance business at present, C. O. Shepherd, second vice-president and actuary of the Missouri State Life, declared at the Quarter Million Club convention. These problems he outlined as disability cover and the underwriting and issuance of large policies.

Mr. Shepherd stated that companies have not been courageous enough to meet the disability situation frankly, that they knew their rates were inadequate but instead of admitting this and increasing rates sought to find some alteration or modification in the form of benefit that would hide the increase. Most of the variations in benefit which have developed within the last few years be attributed directly to this cause.

Anti-selection Exists

On the score of large policies, the actuary expressed the belief that large risks are not of such favorable mortality as average risks and that there is an "anti-selection" against the company either on the part of the applicant or the agent, or both, taking the form of concealment of important information which may involve health, habits or finances. Mr. Shepherd said in part:

"There is only one way to approach this (disability) question and that is to decide what form of benefit would be most useful and advantageous to the honest policyholder, and which will permit successful administration by the company, and then determine a fair premium rate for that benefit.

Encourage Malingering

"The peculiar forms of benefits which have sprung up within the last few years cannot by any stretch of imagination be considered improvements, or steps in the evolution of a better clause. On the contrary some, at least, are benefits that encourage malingering and fraud, and are more apt to interest the unscrupulous and dishonest policyholder than to add anything to the benefits of the deserving policyholder.

"As I pointed out last year in Quebec an age limit of 65 is much less satisfactory than 60. A number of companies invited malingering by a disability clause that provided for payment of disability income from the date of disability, the only requirement being that the disability continue for 90 days. This form of benefit has also been abandoned by one or more of the companies that were using it a year ago.

Pro Rata Clause

"Some of you may have read something of the agitation for a pro rata clause to be incorporated in the benefit. Here again the interesting thing to my mind is the recognition of the existence of a serious evil—overinsurance of disability benefits. Sometimes a company which is very conservative and careful not to issue more than the applicant deserves, suffers because some other company subsequently issues too much disability benefit, and sometimes, although there is no overinsurance at the date of disability, there is overinsurance at the date of disability.

"We must be certain that all his total disability income plus his non-cancelable accident and health income insurance does not exceed 60 percent of his earned income for favorable occupations and perhaps not more than 40 percent for other occupations—and not more than \$1,000 per month at the outside regardless of the size of the applicant's earned income even if it is \$50,000 per year.

Large Policy Evil

"This brings me to the door-step of the second problem—the underwriting and issuance of large policies. There are several reasons why 'anti-selection'

is more pronounced now than formerly.

"In the first place men are buying larger amounts of insurance than they used to and larger buyers are always shrewd. Many men have periodic health examinations. All of these conditions mean that the applicant knows more about his condition than he formerly could. Today, he understands pretty well what the doctor is looking for and I'm afraid he too often knows just about what the doctor will find.

"The life insurance agent of today knows more about illnesses and he knows more, too, about the attitude which the company adopts toward these impairments. He knows what effect certain information will have upon the rating of the risk. If he is dishonest, he conceals adverse information.

Agents' Misconception

"If there is any misconception prevalent among life insurance agents, I think it is the feeling that a negative medical examination is conclusive evidence of the applicant's good health. In the first place, we don't get anything but a superficial examination. We can't afford to pay for anything more and the applicant wouldn't be willing to devote the time required for a thorough examination.

"In the face of all these conditions, our selection methods are inadequate for big risks though they might have been all right for the \$5,000 or \$10,000 policy 15 or 20 years ago. We aren't going to get satisfactory results until we adopt practices which are more in keeping with the size of the financial transaction involved.

"Our present method of obtaining information regarding finances is inadequate. In the future, I think we shall require information of this character direct from the applicant.

"There is a very considerable amount of over-insurance today and a large part of it is business insurance. The experience on this class of risks has been particularly bad. There have been a large number of suicides. Very frequently, we receive applications for large amounts of insurance on a man who is simply trying to bolster up a weak financial situation with life insurance.

"The truth is that it is bad business to insure any man for more than his life is worth and no company can expect to get anything but a very heavy loss rate on such a class of business.

"It wouldn't surprise me if we got away from our one year incontestable clause. We should because it encourages fraud and helps the dishonest insurer at the expense of the honest."

Say Sprinklers Were Not Working When Needed

No sprinklers were functioning in the Transmississippi Grain elevator at the time of its \$500,000 fire on Aug. 18, according to Frank Stanberry of the Nebraska Inspection Bureau, which conducted an investigation.

"Three of our men dug under the debris in the building to inspect the sprinkler equipment," Mr. Stanberry said. "They reached two conclusions; that the valves in the water main in the elevator, leading to the sprinkler system, were closed, and that the two automatic valves on the equipment itself did not operate and there was no water in them. The sprinkler system could not have worked under these conditions."

C. D. Sturtevant, president of the Transmississippi Grain Company, which operated the elevator, said that it was his impression that the sprinklers were working at the time of the fire, except those in the west end of the structure, where the valves had closed because of repairs to the building.

WORKMEN'S COMPENSATION

OCCUPATIONAL DISEASES UP

Report Made on Operation of the New Jersey Law Which Covers These

The extent to which compensation is being provided for victims of occupational diseases is discussed in reports received by the Bureau of Labor Statistics, Department of Labor, from domestic and foreign sources.

A report of the situation in New Jersey, where a state law provides such compensation, has been made public by the bureau in the current issue of the "Monthly Labor Review." The "Review" also includes a discussion of recent extension of German accident insurance to cover occupational diseases.

While the number of cases reported in New Jersey from occupational ailments in 1928 was twice that of the preceding year, this was considered an improvement in the system of reporting occupational diseases rather than an

indication of the increase in number of cases.

Compensation was paid during the year in 150 cases in New Jersey, of which seven were fatalities; two resulted in permanent total disability; 19 in permanent partial disability, and 122 in temporary disability. The compensation paid amounted to \$85,084, while \$7,935 was expended for medical care. Loss in time was given at 78,790 days.

Proper training and experience for factory inspectors was urged in the report, as safeguard against benzol poisoning through carelessness. Nearly two-thirds of the cases of occupational diseases were caused by benzol and lead poisoning.

The extension of German accident insurance to include occupational diseases is discussed in another report received by the Department of Labor. Originally no compensation was paid for occupational diseases, under the accident insurance law, but in 1925 the minister of labor issued an order providing for such compensation, for certain occupational diseases. In 1928 a

law was passed authorizing the federal government to consider certain diseases as occupational diseases without taking into consideration whether the disease was contracted as the result of an accident or from some other cause.

Under the New Jersey occupational disease law, compensation is paid for sickness from the following causes: Anthrax, poisoning from lead, mercury, arsenic, phosphorus, benzene and its homologues and derivatives, wood alcohol, chrome, mesothorium or radium necrosis, and caisson disease.

It is pointed out in the report that benzol and lead were responsible for nearly two-thirds of the cases. In the textile and the animal leather trades, 13 fatal cases of benzol poisoning were reported during the past three years and as benzol has been used in large quantities in different industries in the state it is considered probable that these cases represent only a small proportion of the actual fatalities from the cause, since the toxic properties of benzol are not understood by many physicians and undoubtedly many cases have not been properly diagnosed.

Report on Kansas Accidents

TOPEKA, KAN., Sept. 4.—There were 1,436 accidents in Kansas industries in July, according to the monthly bulletin

of the state commission on labor and industry. Of these there were 1,385 which resulted in temporary disability, 38 in permanent disability and 13 in death.

There were 501 compensation cases closed in July, some of which occurred previous to that month, in which the compensation cost was \$46,797 and the medical cost reported in 356 cases was \$14,638.

Educates Kansas Employees

TOPEKA, KAN., Sept. 4.—G. Clay Baker, chairman of the Kansas commission on labor and industry and ex-officio administrator of the workmen's compensation law, is preparing two notices to be used for the benefit of the employees in industries in this state. One is to be a placard to be posted in industries operating under the compensation law. The other is a short bulletin to be distributed among the workmen calling attention of the employees to the things they must do in order to comply with the compensation law.

Coal Mine Fatalities in July

Accidents at coal mines in the United States in July caused the death of 148 men, according to information received by the United States bureau of mines, Department of Commerce. Of this number, 31 occurred in the anthracite fields of Pennsylvania; the remaining 117 resulted from accidents at bituminous mines in various states.

July was free from major disasters—that is, accidents in which five or more men lost their lives. However, there have been four such disasters thus far in 1929. Three of these were explosions which killed 70 men and one was a fall of slate, killing five men.

North Dakota Claims Classified

BISMARCK, N. D., Sept. 4.—A checkup of all classes of employees in the state when claims have been presented to the workmen's compensation bureau reveals that garage employees and workers on North Dakota highways suffer the greatest number of accidents during the summer months.

Accidents in coal mines exceed those in any other working place during the winter months. Claims involving sprained backs and hernia are the most difficult to adjust. Doctors are unable to locate trouble in a back sprain and must depend entirely upon a patient's knowledge. Hernia is classed as a disease rather than an accident. Compensation is not paid unless the patient enters a hospital. The bureau paid claims and doctor bills totaling \$40,839 in July.

Driver Held Not Liable for Injury to a Guest

Plaintiff was a guest in a car driven by her sister. Chap. 308 of the public acts of 1927, provides: "No person transported by the owner or operator of a motor vehicle as his guest without payment for such transportation shall have a cause of action for damages against such owner or operator for injury, death or loss, in case of accident unless such accident shall have been intentional on the part of said owner or operator, or caused by his heedlessness or his reckless disregard of the rights of others." In her haste to get home before threatened thunderstorm broke, the driver of this car turned from the street into the driveway without slackening speed, with the result that the car failed to make the turn and mounted the curb. The accident was the result of a momentary bit of careless driving, a failure to exercise due care. Held that there was nothing in the conduct of the defendant to indicate that she was operating the car with reckless disregard of the rights or safety of her own children and of her sister who were riding with her. There was no justification for the verdict of the jury in favor of plaintiff and the court performed its clear duty in setting it aside. *Ascher vs. Friedman, Inc., et al., Sup. Ct. Err. Conn., 1st Dist.*

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ACCIDENT AND HEALTH FIELD

MAKE ORGANIZATION PLANS

Detroit Accident & Health Club Completes Arrangements for Forming National Body Next Week

DETROIT, Sept. 4.—At a meeting Monday of the Accident & Health Managers Club of Detroit, with 25 members in attendance, final arrangements were made for the organization of a national affiliation of accident and health managers clubs, which is to be accomplished in connection with the annual convention of the National Association of Insurance Agents here next week.

J. P. Collins, agency supervisor of the National Casualty and secretary of the club, was a pioneer in the promoting of the national association and will act as general chairman in charge of arrangements. A suite of rooms will be maintained at the headquarters hotel during the meeting, where all visiting accident and health managers may sign as charter members of the national organization.

President E. H. McFarland appointed a nominating committee consisting of George Brown, chairman; W. L. Rosier, General Accident, and Bert Stahl, Federal Life.

C. M. Biscay to Speak

Charles M. Biscay, manager ordinary department of the Western & Southern Life of Cincinnati, has been invited to address the annual meeting of the Industrial Insurers Conference at Mobile, Ala., Nov. 12. This conference is composed of 33 industrial life, health and accident companies with a combined premium income of over \$35,000,000 a year.

Must Decide On Its Status

PIERRE, S. D., Sept. 4.—Commissioner Lewis has issued an order requiring the Railway Mail Association to bring its by-laws into harmony with the laws of South Dakota to continue to do business in this state.

Apparently the association desires to act under the fraternal laws of South Dakota and by by-law limit claims for liability to two years after the occurrence of an accident. The holding is that if the organization desires to work under the fraternal laws of South Dakota, it is governed by the general law, with a six-year limitation of claims. Either this or it should qualify under the assessment accident insurance laws of the state. This would allow it to apply the two-year limitation of claims, but would place it under regulation by the department other than that on fraternal laws.

In other words, if it desires to apply the two-year limitation it must come under the regulations allowing such privilege. If it desires to continue to operate under the fraternal laws, it must be governed by the six-year limitation of claims under the general laws, as there is no limitation provision in the fraternal laws.

Covering Air Pilots

The Air Travelers Insurance Company, recently organized with home office at 1813 Main street, Dallas, Tex., is offering a fliers' special accident policy to licensed pilots with more than 50 hours to their credit, which provides \$2,500 death benefit and \$200 per month accident indemnity for a premium of \$50 per year or \$15 per quarter. It also has a student pilots' policy, which provides half the benefits of the major policy at the same premium rate.

The company is also issuing a limited automobile and travel accident policy, which includes losses sustained while riding as a fare paying passenger in a licensed airplane, flown by a licensed transport pilot. This policy provides \$5,000 principal sum and \$100 monthly accident indemnity for an annual premium of \$3.50.

SINE WINS CLUB PRESIDENCY

Abraham Lincoln Life Holds Convention of Leading Producers at Springfield, Ill.

At the annual meeting of the Rail Splitters Club, honor agency organization of the Abraham Lincoln Life, held at Springfield, Ill., last week, announcement was made that Robert N. Sine of Springfield becomes president for the accident and health department; R. G. B. McKee, St. Louis, first vice-president, and A. Zatin, Gary, Ind., second vice-president. An especially close race developed for the first vice-presidency, with C. W. Lent, Toledo, O., and H. D. Ownby, Paris, Ill., only one point behind Mr. McKee and all three only a few points behind the winner of the presidency. Karl Ritzert of the Fleischer agency, Chicago, is president for the life department, with J. J. Sheehy of Utica, Ill., as vice-president.

Next year's meeting will be held at Troutdale-in-the-Pines, Evergreen, Colo.

F. M. Feffer, vice-president and agency manager, presided at all the business sessions and acted as toastmaster at the banquet. A joint session for the life and accident and health departments was held Thursday, with Friday's session devoted especially to the accident and health department and Saturday's to the life department.

President H. B. Hill in his address reviewed the history and growth of the company, announcing that it has written as much life business already this year as it did for all of 1928. James Fairlie, vice-president and actuary, told of some of the points agents must consider in the writing of total and permanent disability benefits.

Dr. J. R. Neal, secretary and medical director, reviewed for the benefit of the agents the functions of the various departments in the home office organization and advised them as to handling matters that may require the attention of these various departments. William Fairlie, assistant actuary, spoke on "Conservation," and sales talks were presented by A. D. Freyer, publicity manager; R. N. Sine and Fred Hooker.

Casey Is State Manager

O. M. Casey has been appointed state manager for Arkansas, with headquarters at Little Rock, for the N. W. Allread Company of Jacksonville, Fla. The N. W. Allread Company is manager in several of the southern states for the Inter-Ocean Casualty, which has its executive offices in Cincinnati.

Texas Superintendents Meet

Texas representatives of the National Life & Accident of Nashville held a two days' convention at Galveston last week. Some 100 superintendents were present. The chief addresses were made by E. B. Stevenson, Jr., vice-president and manager of the ordinary department, and W. H. Julian of Dallas, vice-president and manager of the Texas division.

Pioneer Has New Policy

The Pioneer Casualty of Los Angeles is issuing a new policy called the "cumulative disability policy." It is sold to employed men and women in Classes AA down to and including E of the conference manual. It contains the "accidental bodily injury" insuring clause and is non-cancellable for period premium is paid. For \$1,000 principal sum and \$50 monthly indemnity, the premium is \$32.50 the first year and \$30 thereafter; for \$1,500 and \$75 per month, \$48.75 and \$45; for \$2,000 and \$100 per month, \$70 and \$60.

The Casualty Insurer helps agents sell automobile, casualty and surety. Monthly, \$2 a year, 175 West Jackson boulevard, Chicago.

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HAS BUREAU OF INFORMATION

New Clearing House Will Gather Data Covering Conditions for Use of Surety Companies

A bureau of information has been established by members in the affiliated bureau of the Associated General Contractors making S. M. Williams the contact man with the surety business. This will be a central bureau of information that has long been advocated by the Associated General Contractors. The plan will be to secure information regarding contractors. Representing the surety business on the advisory committee are E. C. Lunt, Great American Indemnity, chairman; E. J. Donegan, Metropolitan Casualty; K. M. Clark, National Surety, and Richard Deming, American Surety. An appropriation of \$35,000 has been made by the members of the surety division of the affiliated bureau. The primary purpose of the bureau will be to get data from contractors regarding such items as personnel of a concern, volume of work, where and for whom performed, by whom bonded and final performance regarding past work covering a three-year period, also work on hand but not completed. Other purposes are:

2. Similar information from general contractors on sub-contractor performance.

3. Information from public officials on performance of individual concerns covering past three years on finished work. Performance record upon completion of unfinished work at time of making first report. Notification of future contracts awarded and performance record on completion.

4. Information from engineers on

public engineering construction work of same character as from public officials.

5. Similar information from engineers and architects on private construction work at such time as decided by the surety division.

Information from Surety Companies

6. Information from surety companies on defaults and failures of contractors on construction work during last three years, record of present and future work bonded. Information as to companies bonding present and future construction work not to be disclosed further than total amount of work for which the contracting concern is bonded.

7. Information from equipment and material manufacturers and distributors disclosing experience covering past three years and present standing of contracting concerns.

8. Information from local associations.

9. Information from miscellaneous publications on contracts awarded.

Writes Bond for Zeppelin

An unusual bond was issued by the United States Fidelity & Guaranty last week, when it extended \$25,000 for the release of the Graf Zeppelin from the damage suit filed against it by a photographer in the west, who sought damages for not being taken on the flight and attached the huge aircraft.

Killer Goes to Chicago

The Century Indemnity announces that Ernest W. Killer has been transferred from the home office to the field force and has been assigned to the bonding department of the Chicago office as assistant to the manager. Mr. Killer joined the Century as supervisor in the home office bonding department in September, 1926. He had previously

spent 10 years in insurance work, first with O'Brien, Russell & Co., general agents for the National Surety at Boston, where he learned the bonding business. His last few years with that company he was assistant manager of the bonding department. In May, 1924, he joined L. W. Kingman Company, general agent for the Independence Indemnity at Boston, in charge of the bonding department.

PLATE GLASS INSURANCE

CATASTROPHE HAZARD SEEN

Plate Glass Companies Are Confronted With This Factor in Handling the Business

The Globe Indemnity calls attention to the fact that in the solicitation of plate glass insurance the catastrophe hazard should be recognized and should be made an argument in soliciting this line. There have been a number of catastrophes where the plate glass loss was very heavy. In the Black Tom Island, New York, explosion in 1916, the plate glass loss was \$400,000. There were two major explosions the next year that caused a large amount of loss, these being the Gillespie loading plant at Morgan, N. J., with \$165,000 loss and the one at Halifax harbor, Nova Scotia with \$25,000 loss. The explosion in Wall street, New York, in 1920 supposedly caused by Bolsheviks caused a loss of \$75,000. The Kansas City viaduct hotel explosion resulted in a large plate glass loss. In 1923 the Springfield Gas Light Company of Springfield, Mass., sustained an explosion that broke all plate glass within a radius of a mile. Kansas City had another explosion in 1924 involving the Bailey-Reynolds plant that caused a heavy plate glass loss in 1926. Layton-Denmark, N. J., naval depot

caused a heavy plate glass loss in 1926.

In a number of storms there have been plate glass losses in which the plate glass companies have had to participate. The storms in Florida have brought large losses in this respect. In 1926 the Florida storm caused a loss to plate glass companies amounting to \$120,000. The St. Louis tornado in 1927 caused a very large plate glass loss. The Dallas, Tex., hail storm in 1927 resulted in a plate glass loss of \$750,000. This was a heavy drain on the companies. The Pittsburgh Equitable Gas Company explosion caused a loss of \$75,000.

Dudley Griffith in St. Louis

Dudley C. Griffith, vice-president of C. H. Burras & Co. of Chicago, managers of the National Surety, who has had immediate charge of the field outside of Cook county for the National Surety, has been appointed St. Louis manager, succeeding George R. Wendling, who recently resigned. Mr. Wendling was formerly a partner in the St. Louis agency of Meyers & Wendling. Mr. Griffith was located at Indianapolis before going to Chicago, being state manager of the Standard Accident.

Auto Accident Losses Increase

DENVER, Sept. 4.—Automobile accident losses are running more than 15 percent above last year, according to Newcomb Cleveland, Denver general agent. "The indifference with which licenses are issued in Colorado is appalling," he said. "A motorist may drive down the streets of Denver, run over a child, either killing it or injuring it for life. After the tragedy is adjusted, he may continue to drive a car under his license just as if nothing had happened. He may cause serious injury and financial loss, driving his car while intoxicated. But after paying his fine, he is allowed to drive as though he were a careful driver, as though he had committed no offense."

"Applicants for drivers' licenses should be put under rigid tests and for the serious infraction of traffic regulations license should be withdrawn."

Branch Offices

PHILADELPHIA, PA.	318 Walnut Street
G. E. DETTE, Resident Vice-President.....	Manager
NEWARK, N. J.	Federal Trust Building
S. H. McKEAG.....	Manager
PITTSBURGH, PA.	Law & Finance Building, 425 Fourth Avenue
H. B. MARSH, Resident Vice-President.....	Manager
CHICAGO, ILL.	Insurance Exchange Building
ROY LILL.....	Manager
DETROIT, MICH.	First National Bank Building
E. E. WADE.....	Manager

PENNSYLVANIA SURETY CORPORATION

JOSEPH W. WARD, *President*

WABASH BUILDING, PITTSBURGH, PA.

Plans Maturing for Big Event

(CONTINUED FROM PAGE 5)

scale of agents' commissions. It felt that in insurance there must be a family relationship and harmony is necessary. It saw that companies must work together. The organization has fought hostile acts proposed by legislators that would be harmful to the public as well as to insurance. It has defended the rights of agents. An agency has a property value which it did not have in years gone by because of the lack of stability and uniformity. The Union has been the watch tower of insurance in the central west. It has been the organization that has blazed the way in many frontiers. Its activities have been enriched and honored by brilliant and notable men. Its history is one of constructive effort.

C. E. Affeld, Sr., of the old firm of Witkowsky & Affeld, of Chicago, who were managers of the Hamburg-Bremen, is the only living charter member of the Union, his firm signing the original membership roll. Mr. Affeld has retired from business and resides in Evanston, Ill. He has been particularly invited to attend the anniversary meeting and will likely do so.

The oldest member in point of continuous service is H. T. Lamey of Denver, who joined Sept. 11, 1891. Next comes J. A. Kelsey, manager of the Tokio, who joined in 1897 when he was manager of the Aachen & Munich. Trezevant & Cochran, Dallas general agents, come third, having joined Jan. 8, 1900. D. Cliffe Stone, the Nashville general agent, joined May 28, 1900. C. W. Higley, president of the Hanover, and Charles E. Dox, western manager of the London & Lancashire, joined within three days of one another, Mr. Higley dating from Dec. 19, 1900, and Mr. Dox Dec. 22. A. G. Dugan, western manager of the Hartford, heads the second oldest class in point of service, joining Oct. 26, 1903.

J. F. Downing of the North America was the first president, serving for two years from Sept. 23, 1879. George F. Bissell of the Hartford was the second president. Others were Eugene Cary, Great American; F. C. Bennett, Aetna; Charles H. Case, Royal; J. H. Washburn, Home; H. M. Magill, Phoenix of Hartford; Thomas S. Chard, Fireman's Fund; A. J. Harding, Springfield; R. J. Smith, Traders; Eugene Harbeck, Phenix of Brooklyn; George T. Cram, American Central; I. S. Blackwelder, Niagara; J. W. G. Cofran, Hartford Fire; George W. Law, Royal; J. H. Lenehan, Phenix of Brooklyn; Fred S. James, National of Hartford; G. H. Lermitt, Northern of England; P. D. McGregor, Queen; John Marshall, Fireman's Fund; A. G. Dugan, Hartford; C. R. Tuttle, North America; John H. Carr, Hartford; W. L. Steele, Niagara; John C. Harding, Springfield; C. A. Ludlum, Home of New York and John M. Thomas, Fire Association.

Cooperatives Weeding Out Agents

LANSING, MICH., Sept. 4.—Mutuals and reciprocals, which are required to license their agents under the revised Michigan insurance code, are believed to be weeding out their own organizations and no applications have been filed for representatives who could not muster as competent agents have been filed with the department here.

Automobile Fleet Rates

NEW YORK, Sept. 4.—The National Bureau of Casualty & Surety Underwriters has called on its members to furnish data as to rates on automobile fleet risks they have written. This information was commanded under a letter sent out Aug. 5, but all the returns are not in, although the final date was Sept. 1. There has been much complaint regarding the writing of fleet risks. Competitive conditions undoubtedly have had quite an effect.

Recent Court Decisions Affecting Insurance Men

FORGERY IS HELD LARCENY BLOOD POISONING COVERED

Court Rules That Bank Is Entitled to Recovery for Loss Under Indemnity Bond

In Trade Bank vs. United States Fidelity & Guaranty, supreme court, trial term, New York county, New York, 229 N. Y. S. 93, the plaintiff carried a policy with the defendant which covered loss through robbery, larceny, burglary or theft. The bond especially excluded loss by forgery.

While this bond was in force, one Gold deposited a check for \$5,300. Subsequently Gold drew \$3,365.40 against his account, which was paid him over the counter. The check deposited proved to be a forgery and the plaintiff lost the amount paid, and sought to recover on its indemnity bond.

The defendant denied liability on the ground that the loss was caused by forgery and therefore not covered by the bond. In passing upon the question raised, and in rendering judgment in favor of the plaintiff the court reasoned as follows:

"The forgery of Gold was not the cause of plaintiff's loss. Though the uttering of the forged instrument made possible the commission of the subsequent crime of larceny, it did not directly or indirectly cause the loss. A separate, independent, wrongful act, the larceny above described, was the cause of plaintiff's loss, and hence the provision of defendant's bond exempting it from liability in the event of forgery, does not relieve it from liability. At any event, the rule is settled in the law of insurance that the cause nearest the loss is to be considered; that distant causes are to be disregarded. . . .

Payment Is Not Delivery

"Nor was the payment of the money to Gold by the plaintiff a delivery of property to him under the provisions of the bond. 'To deliver' is to pass something from one person to another; to place something in the legal possession of another. Standard Dictionary. A manual transition of property, induced by fraud and deceit, where it is evident no transfer would have been made, had the truth been known, is not, in common thought and common speech, deemed a delivery. Property is not delivered to one who secures possession thereof by trick and artifice. The holder of property so secured is but a naked possessor, without color or right. In legal effect it is a taking by, as distinguished from a delivery to, the wrongdoer. . . .

"Neither was there any extension of credit to Gold by plaintiff. The conceded facts show that the money was paid over to him by plaintiff's teller, solely upon the belief that the forged check theretofore deposited by Gold was genuine and had been paid. I am of the opinion that plaintiff's loss is within the terms of the policy, and direct a verdict for the plaintiff for the sum of \$3,800, inclusive of interest."

No Negligence Shown

The record is absolutely silent to show that there was any negligence on the part of anybody in this procession. The cars were driving at a moderate rate of speed, as they usually do in a funeral procession, when something came in contact which stopped the line of progress, and it was so sudden that the cars behind naturally ran into the cars ahead. There was no fast driving. There was nothing so far as the record shows where anybody was guilty of any negligence. Kondik vs. Ach, Ct. of Appeals Ohio, 8th Dist.

Result of Accident, Even Though Infection Not Introduced at Time of Injury, Nebraska Court Holds

LINCOLN, NEB., Sept. 4.—Insurance companies writing double indemnity and seeking to avoid payment where death results from bacterial or other infections must make plain the intent of such a contract, says the Nebraska supreme court, in holding the Elkhorn Life & Accident liable for \$3,000 double indemnity on a policy of that amount. The clause was in the usual verbiage, seeking to prevent recovery where death follows from causes exclusive and independent of the accident. The insured in this case died from blood poisoning following an infection, and the company claimed this barred recovery because the policy explicitly said double liability would not apply where bacterial or other infections caused death.

The court says that where the insured sustains injuries through violent, external and accidental means and blood poisoning ensues, resulting in death, it is immaterial whether the infection is introduced at the time of the accident and through the instrument operating to cause the injury, if the infection enters before the wound has become so cured as to prevent exposure to infection, and infection comes about naturally without the application of any human act to produce it. Blood poisoning resulting in such a wound will be considered as the effect of the injury and not as an additional other cause aside from the accident, and the consequent death is held to be the result of the accident exclusive and independent of other causes.

It is added that it is the language of the contract, not the intent of the company, that governs and that the company could have protected itself by a clause saying whenever an accidental injury, through complications of infection, shall cause death there will be no liability.

LANGUAGE OF CONTRACT BASIS FOR RECOVERY

The original policy is the standard residence burglary policy except that it bears a rider containing the clause "on the highway." It contains a schedule which enumerates the location of the residence of insured; that it is private; occupies the entire building; that the occupation of insured is millinery; and appears in every detail to correspond to the ordinary burglary policy. At the head of the policy in large capitals appear the words "Burglary Policy." Plaintiff contends that the agent of the company at the time he sold the policy to her understood perfectly that it was to cover her jewelry, her personal knick-knacks, her household silverware, etc., in the amount of \$3,000; that she is a business woman and never at any time had any idea of insuring herself solely against "robbery on the highway." Held that the language of the contract considered in all its details was sufficient basis for the recovery. Judgment affirmed. Dimmitt vs. Hartford Acc. & Ind. Sup. Ct. Kan.

ISSUE OVER ACCIDENT THAT BEFELL ONE'S MOTHER

Action to recover damages received in an automobile accident alleged due to defendant's negligence. Defendant was plaintiff's son and offered to drive his mother to a point about 300 miles from

home in order that she might obtain medical attention. Plaintiff accepted and she, together with defendant's brother and two other women, drove to Cameron, Wis. They started to return about noon of a Monday, expecting to get home about 1 a. m. Tuesday. However, they developed engine trouble and were delayed all through the night. Instead of stopping in order to rest, the party proceeded immediately after the repairs were effected and all the passengers in the car fell asleep. Defendant himself in a fatigued condition fell asleep, lost control of the car and an accident ensued, resulting in plaintiff's injuries. Plaintiff recovered in the lower court.

Held, that the judgment should be reversed. Plaintiff was defendant's guest and as such she took the automobile and defendant, as driver, as they were. Plaintiff knew defendant's experience as driver as well as all the facts surrounding a long drive, the consequent loss of sleep and discomforts of the night preceding the final stage of the journey. She was bound to know as a matter of common knowledge, that a result such as did follow, viz., of the defendant dozing at the wheel, was reasonably to be expected as an aftermath of the experience which they had all undergone. In such a situation it must be held as a matter of law that the plaintiff assumed the risk incident to the entire situation.—Krueger vs. Krueger, Supreme Court of Wisconsin.

AUTOMOBILE LIABILITY CASE IN NEW YORK

Plaintiff was injured in an automobile accident under circumstances that would justify awarding her damages therefor against one Davis who was owner and operator of the machine.

Defendant was Davis' insurance carrier and within two or three days its adjuster called upon plaintiff, as she alleges, she agreed with him "not to do anything to Mr. Davis about the accident" upon defendant's promise that they (it) "would take care of it, would settle the expenses when they (it) knew what they were" and pay her in addition something for her injuries. In August following, Mr. Davis died without plaintiff having made any claim for damages against him any such claim she might have had abated. After his death defendant repudiated the alleged contract and this action is brought to recover thereon. Held that the contract contains no promise to pay any definite sum nor any method by which any definite amount to be paid therefor may be computed or ascertained. It is nothing more than an agreement to pay her at some time in the future an unmentioned sum of money. Proof that the parties were later to agree upon the amount will not avail, for that unquestionably leaves the contract incomplete. Concerning the promise to pay plaintiff's expenses the court reaches a different conclusion. There is no indefiniteness about this; it was susceptible of accurate ascertainment. Judgment for defendant reversed; new trial ordered. Wood vs. Aetna Life, N. Y. Sup. Ct. App Div. 4th Dept.

Instructions on Speed Upheld

Plaintiff complains of the instruction regarding the rate of speed. We think the court correctly stated the law in that behalf. We iterate that plaintiff repeatedly looked at the oncoming stage, and thought she had ample time to cross the paved portion of the highway before the stage would enter the intersection. The jury evidently believed she did, and that but for defendant's stage leaving the paved portion of the highway towards the right there would have been no collision. Nyhart vs. Oregon Stages, Sup. Ct. Dept. 1, Oregon.

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LIABILITY	LIABILITY	THEFT	HEALTH
PROP. DAMAGE	TEAMS	PLATE GLASS	WORKMEN'S
COLLISION	ELEVATOR	STEAM BOILER	COMPENSATION

General Accident



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CASUALTY PERSONALS

George W. Blossom, Jr. of Fred S. James & Co. at Chicago, who won the premier cup at the casualty convention at White Sulphur Springs last year, which is given by the Fidelity & Deposit, expects to return this year and try his hand again. This cup is a magnificent one and will become the permanent property of the golfer who wins it three times. Francis R. Blossom, brother of George W., Jr., has won it twice. Francis Blossom recently won the Cook county district golf championship. Both of the Blossom boys are expert golfers. In his day their father, George W. Blossom, Sr., was able to win prizes himself in this game. The casualty people would be glad to see George W., Jr., win it and then allow the two brothers to appear next year to see which one will get the coveted trophy.

Raymond J. Carey, who resigned as superintendent of claims for the Bankers Indemnity of Newark at Chicago, announces the opening of a general insurance office at 503 West Main street, Maywood, Ill. Mr. Carey will form a co-partnership with his brother, James H. Carey, under the firm name of Carey & Carey.

Ray Carey will best be remembered by his association with the Hartford Accident & Indemnity, with which he served for about 15 years.

G. R. Dette, resident vice-president at Philadelphia of the Pennsylvania Surety and Triangle Fire, celebrated "just another birthday" Sept. 4 by working even harder than usual.

Soon after Thomas J. Quinlan, superintendent of agents for the Employers group sailed for a business and pleasure trip to Europe, some of his many friends at the Boston office got together with plans for celebrating his 25th anniversary with a tangible tribute.

Sept. 12 will complete Mr. Quinlan's 25th year with the Employers group and a surprise drive for agents has been inaugurated.

Mr. Quinlan started as an office boy with the Employers Liability Sept. 12,

1904. He worked his way up as mail boy and file clerk and held increasingly important positions in the accident and health, actuarial and statistical and liability departments. He started in the agents department under A. B. Poor, present assistant United States manager of the Employers and vice-president of the American Employers and the Employers Fire. He worked as executive special agent and after his return from service during the World War he was made home office representative.

Thomas Watters, Jr., well known Des Moines insurance attorney and counsel for several companies, was seriously injured in an automobile accident last week, but is now reported to be out of danger at Mercy hospital, where he is under care of his brother, Dr. Phil. Watters.

Mr. Watters' accident occurred when he attempted to avoid hitting a dog that ran across the street in front of his automobile. The car went into a tree.

Frank J. O'Neill, president of the Royal Indemnity, has been secured as one of the speakers at the annual convention of the New Jersey Association of Underwriters, to be held in Jersey City, Sept. 19.

James S. Kemper, president of the Lumbermen's Mutual Casualty of Chicago, will give an address before the annual clinical congress of the American College of Surgeons, Oct. 18.

Elmer Charles Anderson, manager of the surety department of the Employers Liability and American Employers in Chicago, is to be married Sept. 21. Mr. Anderson is one of the well known surety men of the city who is personally very popular.

Lew H. Webb of Conkling, Price & Webb, Chicago, is on his way to Japan, having sailed from Vancouver Aug. 29. He is accompanied by Mrs. Webb. They will meet their daughter, who is spending the summer in Japan. The daughter is located at Canton, China, being a missionary.

LIABILITY OF COMPANY
AFTER A COMPROMISE

Upon agreed statement of facts plaintiff seeks to charge defendant with liability under insurance law (Const. Laws, ch. 28). Defendant issued to a householder its policy of insurance indemnifying against claims for damages. A condition of the policy is that "upon the occurrence of an accident" covered thereby, "the assured shall give immediate notice." Plaintiff was injured Oct. 6, 1920, by falling on the stairs in the house belonging to assured. She brought action later for damages. Assured waited 22 days following the accident, before giving notice to insurer in compliance with the policy. There was prompt disclaimer of liability, followed by a compromise. Assured consented on his part that because of the dilatory notice the insurer be relieved of liability to him for any judgment to be rendered. Insured bound itself to defend without cost to assured the action then pending for recovery of damages. In the action thus defended plaintiff had a judgment which is still unpaid after return of execution. The question is whether insurer may be held under the statute. Held that plaintiff, the judgment creditor, stands in the shoes of assured and must abide by his case when suing on the policy. She is not, indeed, affected by the compromise which was unavailing to divest her of rights previously accrued. She is chargeable like assured, however, with the breach of conditions

on which liability depended. The delay in respect of notice is a bar to recovery unless and until there be explanation and excuse. The submission does not tell whether explanation or excuse is possible. Submission dismissed without prejudice to a new submission. Rushing vs. Commercial Casualty Co., N. Y. Ct. of Appeals.

Pogge Gets Commonwealth

The R. C. Pogge Insurance Agency of Chicago has been appointed general agent for the Commonwealth Casualty of Philadelphia. The agency is a Class 1 member of the Chicago Board, representing a number of fire insurance companies in addition to operating as general agent for the National Casualty of Detroit. Mr. Pogge is one of the pioneers in the business. He has been identified with insurance for many years.

Graber to Des Moines Office

L. E. Graber, who has represented the Travelers at LeMars, Ia., has been transferred to the branch office in Des Moines, where he will have charge of organization work in the east three-fourths of the state. He is succeeded in LeMars by Joel T. Shepard of Indianapolis, Ia.

Collins Made State Agent

L. H. Collins, vice-president of the Home Accident of Little Rock, announces the promotion of L. C. Minor as state agent in Mississippi. Mr. Minor began his insurance career with the Home Accident in Mississippi in February, 1928. Previous to that time he was employed in the home office at Little Rock.

Street Answers Agents' Charges

(CONTINUED FROM PAGE 3)

tions placed upon the rating statutes of many of our states."

Relationship Changes

The relation between the field man and the agent changed a good deal since the introduction of the automobile, Mr. Street continued. Time was when the field man had to spend much time in every town because of poor transportation facilities, with the result that he had more time to be with the agent, and they became acquainted with each other on a personal basis; he knew the agent's family, the names of his children and had more time to write up his reports to his company. As a result the office heard from him daily rather than on Tuesday of each week as at present. Losses which he handled in many cases in the old days are handled now by bureaus; many of his inspections are made now in the same way. Collections from agents who grow careless are handled by a committee, the chief mission of the special agent being to cultivate business. The intimacy is gone, said Mr. Street, in spite of the fact that the field man probably sees the agent three times now to the once 20 years ago.

Imbued With Same Spirit

Mr. Street said he did not believe the managers any different in regard to the agents than the pioneers of the forties and fifties. They are imbued with the teachings of their predecessors. However, they may not be blessed with the wide personal and business acquaintance which came through decades of association with a plant in process of building and development. The men who supervise the destinies of the fire insurance companies have been handicapped by conditions in the business itself, he pointed out.

"Fewer companies and better ones, the pick of the agency force, regulated and uniform compensation to all who produce the same results, better relations under which the agent will know he is a part of the company and be proud of it, must inevitably follow if the logical outcome of the present trend is correctly interpreted," he declared. "The fleet proposition is only the first step in achieving that end. There is no business in which the reduction of competition would so easily react to the benefit of the insuring public, yet every piece of legislation is designed to prevent just that thing, and the man in the street who votes if he does not insure is aghast at any idea of even a regulated monopoly."

The Corn Belt Mutual Casualty of Bloomington, Ill., has been licensed to write automobile insurance.

LOYAL

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Indemnity Company
New York**

Casualty
Insurance

Fidelity and
Surety Bonds

Much Interest in the Meeting

(CONTINUED FROM PAGE 5)

by representative local agents of the state at the joint conference. While the managerial committee failed to express its opinion in the matter, promising merely to present the agents' views to the executive committee of the E. U. A. and later to the full membership of the body, the general feeling obtains that the coinsurance requirement will be waived, and some other method suggested for gaining additional insurance.

The attitude of the agents in the state toward the coinsurance clause requirement is tersely set forth in a communication recently addressed to all Eastern Underwriters Association companies by Frederick Hickman, president of the New Jersey Association of Underwriters, which reads:

"I am very anxious that separation be effected without any friction or unnecessary derangement of the business. The companies have, however, unwittingly provided a very good argument for the opposition by the injection of the coinsurance clause as a basis for grading commissions. I believe it is illogical to offer to the assured a reduction in rate and at the same time offer the agent a higher rate of commission for the use of the coinsurance clause, or the reverse, to penalize the agent, in the matter of commission for the absence of the coinsurance clause.

Strong Resentment Seen

"The argument for the use of the coinsurance is to force the agent to sell it. Wherever there is a proper differential, the wide-awake agent will always sell coinsurance, otherwise he leaves an opening for his competitors to step in and take the line away from him. There is a strong resentment, throughout the former ordinary territory, at the fact that the companies have asked them to agree to separation and have apparently given them an increase in the scale of commission but at the same time, by the injection of the coinsurance feature, have made it impossible for them to take advantage of it. In other words, the new commission scale is to the advantage of the agents in that territory where coinsurance is generally used and it works to the disadvantage of the agents in the territory where coinsurance is not generally used. The writer has been using his efforts to bring about a better relationship between the companies and agents in New Jersey and feels that he is justified in asking the companies to eliminate the coinsurance feature from the new commission scale. Prompt action on the part of the companies in taking the initiative in this matter will in my humble opinion, be a very diplomatic and profitable piece of business."

It may be too that the existing status of the general agency rule of the association, adopted sometime ago, will be referred to. In many sections of the "ordinary territory" the appointment of "general agents" as mere subterfuges for the payment of excess commissions upon their local business, had assumed serious proportions. A rule drawing the line of demarcation between legitimate appointments and palpably improper ones, was determined upon by the association, so that no hardship be imposed upon offices compelled to readjust their affairs to conform to the new requirement an extended period was granted by the companies to bring about such change.

Altogether the forthcoming meeting promises to be one of the most interesting had in a long time.

Dobbert Gets Equitable

The L. C. Dobbert Agency of Milwaukee has been appointed general agent for the Equitable Casualty & Surety. At one time Mr. Dobbert was special agent for the Fidelity-Phenix Fire. The Dobbert agency has 200 agents under its supervision.



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Re-Insurance
Excess Re-Insurance
Catastrophe Hazard

All Lines but Stressing Excess Fire Reinsurance General Classifications

Grant Plans to
Build a Fleet

(CONTINUED FROM PAGE 35)

capital and all other facilities. Its assets at the end of the year were almost \$5,500,000. Its total income life, accident and health last year was \$6,000,000. It is banking now \$20,000 a day. President Grant said that there are at the present time about 1,000 people in office and field depending on the company. There are some 600 men acting as agents and supervisors in the field.

Started in a Modest Way

When Mr. Grant started the company he personally had to buy the office furniture because he only had \$5,000 deposited in the bank and that was to be used in payment of claims. The company started as the Business Men's Accident, writing accident insurance largely on the plan of the commercial travelers associations. Later it took on health insurance. Then it changed to the Business Men's Assurance, a stock legal reserve company, and started writing life insurance. At the end of the year it had \$65,014,044 insurance in force, having written over \$36,000,000 new business during the year.

Ten Years Glimpse Ahead

President Grant predicted that at the end of 1935 the company would have \$250,000,000 insurance in force, that its accident and health income would be \$6,000,000 and that there would be 500 members of its star salesmen organization.

WANTED

Two typists at \$75 a month. Large casualty company. Excellent opportunity to advance. Experience in auto and compensation coverage an asset. Address N-34, The National Underwriter.

WANTED

Wisconsin stock company writing full line of Health and Accident policies wishes to secure man to establish agencies and train agents in Wisconsin territory. Write stating age, experience and giving references. Address N-21, care The National Underwriter.

SITUATION WANTED

Young man with nine years experience, both field and home office, in all fidelity and surety lines. Address N-30, care The National Underwriter.

Executive—Casualty Insurance

42 years, would like position with one of new companies as branch manager. 22 years experience in all branches. Good producer. Well connected in Chicago. Address N-31, care The National Underwriter.

SAFETY ENGINEER

Capable of organizing safety welfare in large printing organization. Past experience must have been safety engineering work with large manufacturer. Applicant must have record in obtaining results in safety work. All replies entirely confidential and should include full information as to past experience.

Address N-29, care The National Underwriter

CASUALTY MAN

Experienced in all casualty lines with a working knowledge of fire insurance business, desires position. Twelve years general agency experience, thoroughly competent. 27 years of age and married. Address N-28, care The National Underwriter.

tion. President Grant stated that he believed that during the next 10 years insurance would continue to show a remarkable development. Everything, he said, points to an increased demand for insurance. The insurance salesman, he thinks, occupies an enviable position because regardless of changing conditions in business it means that there will be an increased demand for insurance protection. The Business Men's Assurance has 150,000 policyholders. Under the dynamic personality of Mr. Grant and his unbounded enthusiasm the company has extended its operations in all directions but has always had its feet on the ground and planted its roots firmly in the soil. Mr. Grant has with him excellent associates and has a splendid field organization.

Rate Schedule
Shows Increase

(CONTINUED FROM PAGE 35)

cent; seven, 5.6 per cent; eight, 3.6 per cent. Chelsea is found to have the highest reported accident frequency of any community in the country.

Statutory premium charges passenger cars Class W cars territory one, \$64; two, \$57; three, \$48; four, \$43; five, \$31; six, \$23; seven, \$21; eight, \$15. Class X cars, territory one, \$67; two, \$60; three, \$53; four, \$44; five, \$33; six, \$28; seven, \$26; eight, \$20. Class Y cars, territory one, \$80; two, \$72; three, \$59; four, \$56; five, \$41; six, \$35; seven, \$50; eight, \$26.

Commercial cars and trucks are given six zones. Boston, Chelsea and Revere being combined in zone one. Premiums vary from \$170 on heavy class 2 trucks in Territory One to \$48 in Territory Six and \$154 on medium trucks in Territory One to \$44 in Territory Six, while on light trucks it varies from \$138 in Class 2, Territory One, to \$39 in Territory Six.

Heavy Class Three trucks in Terri-

tory One are \$122 and on Territory Six \$35 heavy class. Heavy Class Four trucks in Territory One are \$81 and in Territory Six \$25. The commercial vehicles changes are not radical. Motorcycles are distinctly higher.

SOUTHERN SURETY MUST
CANCEL OIL POLICIES

(CONTINUED FROM PAGE 35)

or rewrite the risk within a period of one year.

Unusual Arrangement

The Southern Surety revealed that the Roxana-Shell companies are responsible for their compensation losses incurred and that the Southern is but managing the insurance for the oil companies, receiving only a reasonable allowance for home office management and commissions to its agents, and standing absolutely no chance of a loss; that the Roxana-Shell companies at their own expense were furnishing excellent surgical, medical and hospital service, and further, have competent safety engineers who supervise and manage their safety first service.

Policies Ordered Cancelled

The practice is to pay the claims as they arise and in turn the special fund set aside for this coverage is replaced by money advanced by the oil companies. The Southern Surety in addition to the compensation for its management and agents also had the benefit of any banking profit from the special fund advanced by the Roxana-Shell companies.

After full consideration of all the evidence submitted at the hearing the commissioners found that the compensation statutes of their several states did not provide for such an arrangement and they directed the Southern Surety to cancel its policies, such cancellation to take effect on or before Sept. 30. The Roxana-Shell lines were written by four companies the past year. The total premium involved is approximately \$600,000.

WITH BURGLARY UNDERWRITERS

ESCAPED BIG JEWELRY LOSS

Casualty Companies Have Not Had to Meet Recent Claims in New York City

NEW YORK, Sept. 4.—Casualty companies have been fortunate in escaping the several large jewelry losses that have occurred in and about this city recently. The bulk of such claims have fallen on the marine companies writing all cover policies. Officials have been endeavoring to stimulate their agents to push for residence robbery and theft lines during the summer months, hoping thereby to overcome the falling off in general business usual during the vacation season. The effort, however, has only been partially successful, local agents as a rule failing to respond to the head office appeals with anything like the enthusiasm hoped for. Such as have followed the suggestion have profited very considerably thereby, thus evidencing that a lot of good residence burglary business is to be had if the proper amount of time and energy be devoted to its solicitation.

JEWELRY THEFT NOT
COVERED BY POLICY

Plaintiff conducted a jewelry store on Sixth avenue, New York City. He occupied the street floor and second floor. On either side of the Sixth avenue entrance there was a plate glass show window about ten feet square. In these windows the plaintiff displayed his wares. On Dec. 18, 1926, the plaintiff heard a crash of glass, ran to the front of his store, saw the entire show window

broken and a man standing with his head and shoulders through the broken window. The plaintiff seized a revolver, pointed it at the malefactor, who in turn struck the plaintiff's hand with a hammer, knocked the pistol therefrom, then picked up a tray of diamond bracelets exposed in the show window, withdrew it to the street through the aperture in the broken plate glass and fled. Under one clause of the theft policy which the defendant had issued to the plaintiff, the defendant was not to be liable for loss or damage occasioned by the taking of property from a show window after breaking the glass. Under another clause a felonious and forcible taking of property by violence was within the insurance. The plaintiff insisted that recovery should be allowed under this clause whereas the defendant challenged plaintiff's right to recovery because of the other clause.

Held, that the plaintiff could not recover. There was a special hazard as to jewelry in a show window from which it might be stolen from the street after breakage of the glass. The fair intentment of the policy was that the defendant assumed no liability for this special hazard.—Goldner vs. U. S. Fidelity & Guaranty, N. Y. Supreme Court, Appellate Div., 1st Dept.

Capital City in Illinois

The Capital City Surety of New York with a paid up capital of \$550,000 has been licensed in Illinois. It writes liability, automobile, aircraft and surety.

The Standard Surety & Casualty of New York has been licensed for casualty and surety business in Utah, making 33 states in which the company is now admitted.

DEE A. STOKER

RE-INSURANCE UNDERWRITER

2111 Daily News Bldg. CHICAGO

Tel. Central 6379

A FEW FACTS ABOUT THE TRAVELERS

¶The people of the United States began in 1864 insuring themselves in The Travelers against financial loss due to accident. At that time The Travelers was the only company writing that form of protection, which is now so common.

¶More than twice as many business and professional men are protected by Travelers Accident Policies than by those of any other company. For this protection they paid The Travelers \$10,848,862.52 in 1928.

¶Travelers Life Insurance has been since 1865 the choice of those who appreciated guaranteed low-cost insurance.

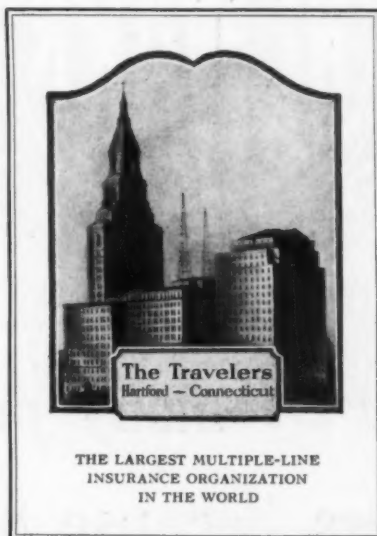
¶Over four and one-half billion dollars for future delivery has been arranged through Life Insurance in The Travelers.

¶When you buy your Automobile Liability and Property Damage Insurance in The Travelers, you are in company with the largest group of motorists insured by any company. They paid \$23,587,004.19 in 1928 for 54% more Automobile Liability and Property Damage than that issued by any other company.

¶More employers have chosen The Travelers for the many forms of employer-employee insurance than have chosen any other company.

¶The employers of 967,254 people have selected The Travelers to insure their employees for \$1,313,246,500 of Group Life Insurance, in effect January 1, 1929.

¶Contracts for 67% more Liability and Compensation insurance are in force with The Travelers than with



any other company. Business men paid \$45,470,453.16 for this protection.

¶More than 68,000 employers of labor are insured under Travelers compensation policies.

¶To assist policyholders in accident and fire prevention efforts, The Travelers maintains an Engineering and Inspection Division with a personnel numbering 690. Since the establishment of this division the Companies have expended in such service \$22,502,724. In 1928 alone, 472,529 inspections were made.

¶The Travelers is deservedly popular among business men who need the protection of Burglary, Boiler and Plate Glass insurance.

¶More than 40,000 agents and brokers have chosen The Travelers as the company in which to insure their clients. Travelers Accident Tickets may be purchased from 5,000 Accident Ticket agents.

¶To serve policyholders promptly and efficiently, no matter where they may be, The Travelers has established throughout the United States and Canada, 214 main claim service offices. Over 1,600 people devote their time to this service. Over 936,000 bank drafts and checks for policy benefits were issued in 1928. The total paid to policyholders or their beneficiaries to date is \$735,186,736.

¶The total income of The Travelers Companies in 1928 was \$207,398,094.51, of which \$180,460,463.51 was paid by policyholders for the protection of Travelers multiple lines.

FINANCIAL CONDITION JANUARY 1, 1929

	THE TRAVELERS INSURANCE COMPANY	THE TRAVELERS INDEMNITY COMPANY	THE TRAVELERS FIRE INSURANCE COMPANY
Assets	\$553,857,160	\$20,601,807	\$14,598,364
Reserves and all other Liabilities	510,803,736	12,211,472	10,182,044
Capital	17,500,000	3,000,000	2,000,000
Surplus as regards Policyholders	43,053,424	8,390,335	4,416,320

THE TRAVELERS
HARTFORD, - - - - - CONNECTICUT



Favored by many property
owners because of its
Good Name

NEWARK

FIRE INSURANCE COMPANY

NEWARK—NEW JERSEY

T. L. FARQUHAR, *President*

WESTERN DEPT. CHICAGO LAW and HAMILTON, *Managers*

IOWA AGENTS CONVENTION NUMBER

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

SATURDAY, SEPTEMBER 7, 1929

**Great American
Insurance Company
New York**

Choose
Your
Company

Choose
Your
Company

INCORPORATED - 1872

**AMERICAN ALLIANCE
INSURANCE COMPANY
NEW YORK**

**MASSACHUSETTS FIRE & MARINE
INSURANCE COMPANY
Boston**

**ROCHESTER AMERICAN
INSURANCE COMPANY
NEW YORK**

**COUNTY FIRE INSURANCE COMPANY
PHILADELPHIA**

WESTERN DEPARTMENT
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IOWA STATE AND SPECIAL AGENTS

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N. W. McBEATH

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DES MOINES

The Tall Grown Company of the Tall Corn State

*L*ike Iowa's famous corn,
the growth of this company has placed it high
in the field of Fire Insurance. Iowa has never had a crop
failure; the Iowa National has never had a service failure.
Iowa agents, who wish to guarantee to their clients, the
best of fire, lightning, tornado and automobile protection,
and the prompt settlement of their claims, will do well to
place their insurance with this company.

OFFICERS

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President

C. M. Spencer
Vice President and Secretary

Frank P. Flynn,
Treasurer

FIELD REPRESENTATIVES

J. D. Berry, Adjuster
R. R. Hufstader, Special Agent

W. N. Mintonye, Special Agent
John L. Peterson, Special Agent

Capital, \$500,000.00

Assets, \$1,271,081.95

Insurance in force, \$100,000,000.00

**Iowa National
Fire Insurance Company**
DES MOINES

Fire, Lightning, Tornado, Automobile



The National Underwriter

THIRTY-THIRD YEAR No. 36-A
EXTRA EDITION 25 Cents a Copy

CHICAGO, CINCINNATI, SAN FRANCISCO AND NEW YORK, SATURDAY, SEPTEMBER 7, 1929
Office of Publication, 175 West Jackson Boulevard, Chicago, Illinois

IOWA AGENTS
CONVENTION NUMBER

Morrison Advanced to Presidency

Iowa Association Meets at Fort Dodge—Agents Disappointed Over Failure of Agents' Qualification Law in Legislature

Listen to Street

The 23rd annual convention of the Iowa Association of Insurance Agents was held Sept. 5-6 in Fort Dodge. President John J. Shepard of Cedar Rapids presided at all of the business meetings. The convention theme was "Conference and Co-operation." Mayor C. V. Findlay of Fort Dodge opened the convention with a few words of greeting, the response to which was made by Vice-President S. T. Morrison of Iowa City. President Shepard explained that the heavy rains throughout the state had delayed many members who were coming to the convention by automobile and as a consequence he recessed the convention for an hour awaiting the arrival of many of the important members.

At 11 o'clock the meeting reconvened and W. R. Boyd, chairman of the finance committee of the state board of education, gave an address on "The Old Commandments Stand." Secretary-Treasurer John I. Petty of Des Moines submitted his report which showed the association to be in good financial condition, although there was a loss of 25 members during the year, the association now having a total of 231 paid members. Fred W. Colvin, chairman of the executive committee, gave his report and John Hynes of Davenport reported for the legislative committee. This concluded the morning session.

Vaughan Presides at Local Board Luncheon

At noon there was a luncheon attended by the officers of the various local boards throughout the state and presided over by J. R. Vaughan of Waterloo, who was last year's president of the Iowa association. Various local board problems were discussed and ideas exchanged.

At the opening of the afternoon session President Shepard gave his annual address. He reviewed the work of the year and regretted that the association had been defeated in its efforts to get an agent's qualification law passed at the last session of the Iowa legislature. He commented upon the mergers that had been taking place in fire insurance and the concentration of great power into a relatively small number of groups or fleets. He said that agents are wondering whether there may be a wise administration of this power. He asked whether there might not be agency mergers following the tendency observable among the companies. Mr. Shepard asked the agents of Iowa to consider the big problems arising in the business today and to ponder over something else besides the mere production of business. He cautioned them to be careful of their alliances and connections. Charles R. Street of Chicago, vice-president and western manager of the Great American, read a paper that was carefully listened

NEW OFFICERS ELECTED

PRESIDENT

S. T. Morrison, Iowa City

VICE-PRESIDENT

Fred W. Colvin, Sioux City

SECRETARY-TREASURER

William Holland, Iowa City

EXECUTIVE COMMITTEE

Howard C. Burleson, Cedar Rapids, Chairman; A. J. Verran, Des Moines; John Hynes, Davenport; W. J. Carter, Fort Dodge.

NEXT MEETING PLACE

Iowa City

to. His talk was not excelled by any other speaker at the convention. He spoke on "Some Rear Seat Comment."

Chester E. Ford of Des Moines, one of the veterans of the Iowa association, indulged in some reminiscences, commenting upon the conditions that existed at the time that he entered the business in 1898. Claud W. Borrett, Iowa state agent of the Hanover and secretary of the Iowa Fire Prevention Association, gave a talk on fire prevention and he was followed by Harry K. (Smoky) Rogers, engineer of the fire prevention department of the Western Actuarial Bureau, who explained his work in addressing school children and educating them in the fundamentals of fire prevention.

John Strohm, state fire marshal, spoke briefly, saying that his department

should be given the power to make and enforce fire prevention regulations so far as buildings under construction are concerned. He stated that the fire insurance companies settled their losses too quickly and that many agents are guilty of allowing their policyholders to overinsure.

B. J. Price, an attorney at Fort Dodge, was the toastmaster at the annual banquet held in the evening. Earl B. Fisk of Green Bay, Wis., chairman of the public relations committee of the National Association of Insurance Agents, was the only speaker. Mr. Fisk is no stranger to the agents of Iowa, having appeared at the meeting at Cedar Rapids three years ago, at that time also as a representative of the National association. Tom Kelley of Fort Dodge was

(CONTINUED ON NEXT PAGE)

Past Year Trying

During the past year the Iowa Association of Insurance Agents has in some respects been through a rather trying period. In the first place there has been a decline in membership. The organization has 25 less members than were on the books a year ago, but this is due primarily to the fact that at last year's meeting it was decided to make membership in the association co-extensive. That is, those not members in good standing of a local board officially recognized by the executive committee of the state association are not eligible for membership in the Iowa association and hence not in the National association. As a consequence, a number of good agents in Iowa were of necessity dropped from the Iowa association because they did not belong, for one reason or another, to their own local board. It is regrettable that some of the best agents in the state were, through this ruling, deprived of their membership in the Iowa association. Further, there was no National association field organizer operating in Iowa during the past year so that there was very little membership stimulation. The association was busy with other problems and was not able to institute a membership drive on its own account.

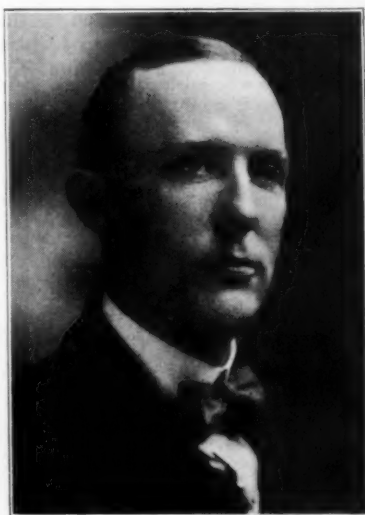
Strenuous Effort to Secure Qualification Law

At the last session of the Iowa legislature a strenuous effort to secure the passing of an agents qualification law was made, but without success. This was a deep disappointment as most of the agents believe that some sort of a qualification law or at least a license fee might be enacted. Nothing of this kind can be worked on, however, until the next session of the Iowa legislature, and so for the time being the association is marking time so far as an agents' qualification measure is concerned.

The insurance commissioner of Iowa refused to recognize merit rating in Iowa on automobiles and this was a source of disappointment to the agents of the state as they had hoped that the merit rating plan might be adopted. They still believe that some change in automobile rates may be made, possibly a flat reduction of some sort. The contract bond situation, which has been so troublesome in Iowa for the past several years, apparently has not been such a great source of disturbance during the last 12 months. That may in a large measure be due to the fact that many agents have become so disturbed over the rebating and rate cutting in connection with the writing of contract bonds that they have practically discontinued writing that class of business.

The appointment during the year of King Thompson, a Cedar Rapids at-

(CONTINUED ON NEXT PAGE)



S. T. MORRISON, Iowa City.
New President Iowa Association



JOHN J. SHEPARD, Cedar Rapids
Retiring President Iowa Association

Complex Problems Confront Agents

Financial Orgy in Insurance Business Disturbs Established Practices—Should Watch Cut Rates and Excess Commissions

By EARL E. FISK

Chairman Public Relations Committee, National Association of Insurance Agents

NEVER, at any time, since the National Association of Insurance Agents was organized in 1896 have we been confronted with as many influences seen and unseen working with persistency to put the American agency system out of commission, and the past year has been a most turbulent one in the insurance business.

We have witnessed the organization of more new fire companies and new casualty companies, and more combinations of fire and casualty companies than ever before. There has been a financial orgy in the insurance business. Giant combinations are the order of the day and financial power is the guiding hand of our great insurance companies. One by one the company of average size, the good agency company, whose executives we know and whose business policies we understand, is losing its identity and its prestige as an individual company and taking its place as an insignificant member of a giant group.

We see the amalgamation idea extended with pools, associations and

perilous times and get back to the quiet seas of sound underwriting and good agency practices.

Financial Gamblers Prove Failures in Long Run

The business of insurance is not a gambling game, and the financiers who are trying to man-handle it at the present time will find this out eventually to their sorrow. There are a number of agents in various parts of the country who are being misled by the false flame of excess commissions and excess

profits, but in my 18 years in the insurance business I have seen many of these agents come and many of them go, but the good sound agent and the conservative underwriter are still doing business at the same old stand. Times have changed, of course, and we are doing new things in new ways, but the financial gamblers in insurance will always prove a failure in the long run.

The local agents have a long road to travel, and the National association is on the right track and leading the way, but it is difficult to understand why

more of the agents do not respond to the call and lend their financial and moral help. The apathy of these fellows who do not cooperate and who remain outside our ranks are a perpetual puzzle to me.

Practically All Companies Recognize Association's Principles

It seems hardly necessary to take the time to discuss what the National association did for the local agents when it secured recognition of the ownership of expirations and the doing away with overhead writing. What has been accomplished in combating bank agencies is so fresh in our minds that there is no need of reviewing it at this time, but the National association has brought a clear understanding of the fact that the business of banking and that of insurance are separate and distinct callings and that the entrance of banks into the insurance business as competitors of qualified agents is in opposition to and a direct attack on the best interests of the American insurance business. Prac-

Resolutions Adopted by Convention

Whereas, the year just passed has brought a readjustment in the membership, with new ideas and vigor, reflecting the zeal and enthusiasm of its officers; Be it resolved:

That further effort be made through cooperation with the National Association of Insurance Agents to enlarge the membership ranks from the eligible agents in Iowa.

Resolved, That this convention instruct its officers and legislative committee to prepare and present to the next state legislature an agents qualification and anti-discrimination and anti-rebate law and that consideration be taken and attention be called to Statute No. 2535 entitled "Resident fire or casualty agents countersign policies-reinsurance" of the Colorado insurance department.

Whereas, The Iowa insurance commissioner refuses to authorize the use of the so-called automobile merit rating plan in Iowa, and whereas it is the belief of the association that the experience on private automobile risks in the state warrants a further reduction in liability rates, Be it resolved that the National Bureau of Casualty & Surety Underwriters be requested to make such flat reductions as it finds to be warranted by the loss experience in the state of Iowa.

Resolved, That we also endorse all cooperative advertising prepared by the National Board and that all our members and local boards ties up to this proposition.

Resolved, That the Surety Association of America be thanked for their held and in the appointment of King Thompson of Cedar Rapids as supervisor of the bond situation in Iowa.



FRED W. COLVIN, Sioux City
Vice-president

bureaus one after another coming into the business. It is true that they may make for simplification of practices and coordination of effort, but where they intend to disturb established practices and provide a barrier between the individual company and its agents and to break down contractual relations between them they are a disturbing element and they will do more harm than the good they can accomplish.

Far Sighted Agents Wary of Cut Rate Concerns

As to the new cut rate and excess commission companies that have been coming into the field, all far-sighted agents will beware them. It is a fact, of course, that the insurance companies are in the business for profit and so is the local agent, for insurance is a business and not a fairy tale as some of our mutual friends profess to believe. No insurance company can long continue to sell insurance at cut rates and give excess commissions and there is no doubt but that the agent who throws out his good, old time companies to follow the ghost of excess commissions is committing business suicide.

There are many good, underwriting executives who see the future through the American agency system just as we do, and if we stick with them and cooperate with them we will get through the dangerous shoals and rapids of these

Past Year Very Trying for Iowa Association

(CONT'D FROM PRECEDING PAGE)

torney, as arbitrator has unquestionably been of help. Mr. Thompson has labored earnestly in an effort to ferret out cases of rebating and has been quite successful. It may be that the contract bond business of Iowa may gradually flow back to the agents of the state, but it was evident at the Ft. Dodge meeting that there was less interest in the contract bond situation, largely because many of the agents have simply given up all effort at writing this class of business.

S. T. Morrison of Iowa City, the new president and Fred W. Colvin of Sioux City, who was elected vice-president, will make a good executive team. Mr. Morrison served as vice-president last year and is very much interested in the work of the association. The association has apparently adopted the custom of advancing the vice-president to the presidency and also of holding the meeting in the city from which the president hails. Thus, next year's meeting is to be at Iowa City, the home of both President Morrison and Secretary-Treasurer Holland. If this plan is followed Mr. Colvin will automatically be advanced to the presidency next year and the meeting will be held in his city.

Agents Listen to Street's Address With Interest

(CONT'D FROM PRECEDING PAGE)

in charge of the banquet arrangements and did a masterful job. W. S. Dulaney, manager of the production department of the Iowa Mutual Liability of Cedar Rapids, was at the piano and accompanied those who wished to lift up their voices in song and there was a large number.

At the opening session on Friday the reports of the nominating and resolutions committees were the first order of business.

President-Elect Morrison Takes Charge of Meeting

King Thompson, an attorney of Cedar Rapids, who has been serving as arbitrator on contract bond difficulties in Iowa, spoke on "The Contract Bond Situation."

Clark Beems, president of the Metropolitan Supply Company of Cedar Rapids, Ia., spoke on "Business Comes of Age." Mr. Beem discussed general business conditions. President-Elect Morrison was ushered to the platform, took charge of the meeting briefly and after pledging his best efforts during the coming year, the convention was adjourned.



JOHN HYNES, Davenport
Chairman Legislative Committee

tically all companies today recognize our principle, that the coercive power of credit used to secure insurance is unethical.

It is perfectly obvious that one agent or a few agents can do little working alone, but with the National association acting as the spokesman for all local agents throughout the entire nation, we have been able to accomplish much, not only in our contacts with state legislatures but steadily and constantly throughout year after year in conferences between the various bureaus and boards of the insurance companies and supervising state officials. Many opportunities arise for the joint consideration of questions of great importance to the companies, agents, and the public, and this medium of approach has proved of immense value.

At the meeting in Detroit there will be a conference of the officers from all state associations in the Western Union and Bureau territory, and from this conference will come the appointment of a conference committee to act as representative of the agents in this territory in conferences with the company executives and state officials. It is hardly necessary for me to tell you that this conference committee speaking with the authority of representation of the leading local agents throughout this middle western territory will be able to do much for the improvement and stabilization of the business.

Some Comment From the Rear Seat

By CHARLES R. STREET

Vice-president and Western Manager, Great American

MANAGERS are mere human beings and like others we have our failings, but why should we wish to do anything outside a real manager's work and do that well? Is the present crop inferior to the last? Have enlarged responsibilities, outside interests or the fact we generally are responsible for "fleets" now made us careless, cocky or prevented us from remembering the human as well as the business side? All men are not alike, whether they be managers or agents and neither are perfect according to my notion, for there are some in both ranks who would not suit me; and yet I cannot envision any manager, however much he may lack in real ability, doing that which would impair the loyalty of his agents. In 1914 we were one happy family, so let us see, if we can, what brought about a different situation today. Much of it is psychological, I believe; some of the fault is ours, some due to conditions we cannot control and will leave it for you to say whether any of it is chargeable to you.

Management Does Not Encourage Ill Feeling

Three or four years ago everyone was asking "What is the matter with fire insurance?" Management as a whole must have been at fault in making such a question possible but that management has encouraged or knowingly permitted unhealthy feeling between companies and agents I do not think likely. Here and there one of us has slipped, to be sure, but unwittingly, for slipping often or on purpose means for us only one thing—business suicide—and I for one still need the job.

Importance Wanes with Declining Premium Income

First of the causes to put you and our people generally in a frame of mind not helpful to us both is traceable to those radical changes which our great nation has undergone in the short period since the close of the World War. They have upset most of our former habits of thought and changed our whole lives in a hundred ways while the world has moved forward a full century in the intervening period and industrial America, at least has more than kept its pace. These changes in habits of thought have affected those engaged in the business of fire insurance as well as others and maybe some have failed to understand, especially in the case of those operating in a limited territory, the necessity for our having passed through a readjustment period, just as everyone else had to do, and that the carrying out of such readjustments should have created here and there a bit of irritation, developed differences of opinion and often the trying of individual tempers. Changes in our business have not occurred along the same progressive lines as in industry, and some of them are not yet recognized by many in both our ranks. Naturally they come last to the agent and yet to him, in his limited sphere of action, they mean the most.

A declining premium income, even though due to natural conditions, has tended to create the feeling that fire business is of declining importance and that, too, contributes to impatience with even constructive criticism.

Anti-Discrimination Laws Create Discord

The greater development of casualty business and the possibly more modern methods those companies are using to make you money has not helped our fire company standing with you.

Excess competition which always develops when we have one of those rare periods when the business is profitable and the special inducements which these new and untried competitors are making have likewise tended to make agents feel in many sections that those com-

panies to whom they have been loyal for so many years are not appreciative of changed conditions.

The degree of refinement which has been introduced into our operations under the strained construction placed upon our so-called anti-discrimination laws, effective in so many states though not in Iowa, have likewise developed sources of disagreement and discord. Let me say right here that while such laws are admirable in theory, they uniformly fail to do justice to all in practice, even where best administered, and that those most deeply interested in our business are earnestly in favor of their repeal. My own feeling is that if we cannot run our business without that sort of help from the state, we should

personal contact between agents and managers than when agents were fewer and managers more numerous.

Agents Haven't Tried to Discuss Troubles Lately

The lack of organization among the companies so far as concerns your state has contributed materially in that the opportunity for cultivating stronger adherence to those principles for which our organizations stand elsewhere has been limited. The average man wants to be regular and is, but discipline is good for all of us.

But the complaint heard in the west is that agents cannot get to responsible company representatives for a discussion of their troubles. On that point

Agents' Criticism Answered



CHARLES R. STREET
Vice-President Great American

"In extending the invitation to appear before you," Mr. Street told the agents, "your president spoke of the many cross currents which have recently developed in our business and seemed so little understood, remarking that it is sometimes felt the Iowa situation is particularly bad; that there seemed to be lacking that spirit of harmony and cooperation which should exist between agents and companies; many agents 'get the idea that companies see us as a thing very remote, a mailing list to which may be sent instructions that appear at times thoughtless and arbitrary, a part of the army, whose destiny is fulfilled and whose contribution is made when he dies,' and that virtual challenge to combat has brought me here.

"Such a feeling, whether here or elsewhere, is most distinctly an indictment of management and if justified means beyond question that some of us do not measure up to managerial requirements. That it should be noticeable in Iowa, where many conditions blamed elsewhere as likely to create discord are lacking, appealed to me as a reason for departing from a resolve to refrain from public talking in 1929. Possibly some good may come from a candid discussion of our troubles, which like our interests are mutual, and seeing if we can find just who is at fault."

get out of it and devote our time and energies to more lucrative occupations like plastering, truck driving or running a labor union.

Decided Change in Agents' Relationships with Fieldmen

There is a decided change in the relations existing between agents and field men, the first point of contact between the companies and their producing force, and possibly some of the refinement which we have permitted to be introduced into our operations and the mechanical way in which many operations are carried out has served to make the examiner, your second point of contact, less self reliant, less resourceful and maybe a bit less enthusiastic than formerly in his dealings with you.

The operation of fleets instead of individual companies has not decreased competition at all because it has not reduced the number of companies, but has to some extent reduced management expenses in spite of the fact that an office handling several companies does more work for the same volume of premiums than if the business were written by one or two. That volume comes from a larger number of agents and naturally there is in many cases less

more later—I admit that at one time it may have had some foundation but any such impression today is erroneous and due entirely to the fact that you haven't tried for some time or haven't gone to those who can speak for the companies, their duly constituted committees.

Underwriting Adjustments in 1921 Bred Ill Feeling

Relations between agents and companies are, it is admitted, changed during the last decade. Like so many other things, that, too, had its inception during the inflation period of the war. The question with the agent during that period was one of capacity; with the company the building up of its volume of business at a time when everyone was apparently prosperous, the business as a whole was showing a profit and many were shortsighted enough to think it would last. So far so good, but when the deflation period of 1921 and 1922 arrived, the numerous underwriting readjustments which were forced by abnormal loss ratios created feeling which it will take a long time to erase. The lack of judgment with which such readjustments were made in many cases reacted on us all and was due, I am free to say, to lack of a real understand-

ing of agency conditions and how to deal with them.

The eminent gentlemen who supervise the destinies of our great fire insurance companies have been handicapped by conditions in the business itself in keeping pace with some other lines of business, though the necessity for reading the signs of today with a view to forming a proper conclusion as to what is to come tomorrow was not often overlooked. I do not believe that in many respects they are to be blamed for what would otherwise be called a lack of vision and foresight even when disagreeing with the thought that in time we must emulate industry, commerce and banking, in building monumental structures which will stand and function under modern conditions. Fewer companies and better ones, the pink of the agency forces, regulated and uniform compensation to all who produce the same results, better relations under which the agent will know he is a part of the company and be proud of it, must inevitably follow if the logical outcome of the present trend is correctly interpreted. Personally I do not think it will be long in coming though conditions have recently been such that it would have been impossible for even a Morgan to bring about in fire insurance that concentration of capital and interests which has been responsible for the advancement by leaps and bounds of American industry, banking and commerce. The fleet proposition is only the first step in achieving that end.

Reduction of Competition Beneficial to Public

Insurance is peculiar in that it cannot be seen, eaten, tasted or smelled, but there is nothing which touches our commercial and industrial life to anything like the same extent yet which is so little understood by the public. There is no business in which the reduction of competition would so easily react to the benefit of the insuring public yet every piece of legislation is designed to prevent just that thing, and the man in the street who votes if he does not insure is aghast at any idea of even a regulated monopoly. He knows that two telephone companies in his community are a nuisance but damns the one which eventually wins the field, even though the cost of full service is reduced. We have gone along secure in the knowledge of business rectitude, selling something on which credit and essential protection absolutely depend and with the idea that in a country as large as this, a country in which the business is carried on in a different way from others, there would be found in the final roundup an average over several years in which we would make a small profit; that competition of all kinds was inevitable and we would simply have to do the best we could. We have had only two good and one fair year out of the last eight, but abnormal stock market conditions have given companies the means to make annual statements that look good but which the public does not stop to analyze. The claim of some of our critics that profits so realized indicate we are making large profits out of the business of insurance itself is only about as sound as would be the argument that the buyer of a Buick automobile is entitled to part of what you made—by purchasing—General Motors stock in 1921 and holding it until 1929.

No Heavy Losses to Discourage Competition

There has not been in the past two or three years such continuous heavy losses as would discourage new company organization, nor has the business been conducted on so close a basis as to result in stifling such competition. The natural result is that with a temporary

(CONTINUED ON PAGE 7)



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Des Moines, Iowa

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VICTOR H. MILLER

State Agent

The Insurance Company of the State of Penn

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Des Moines, Iowa

R. M. (BUCK) TAYLOR, JR.

State Agent

**Boston Insurance Company Old Colony Insurance Company
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**National Liberty Insurance Co.
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DES MOINES, IOWA



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The firm whose
name is here
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A general agency where Iowa agents can turn specialist
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because the local agent a chance to make more money.

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An Unusual Contract Backed by
Unusual Selling Helps

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Des Moines, Iowa

AT HOME

WITH A "HOME" COMPANY

That is our aim—to make you feel "at home" and with that accomplished, any company can be of more service to you—especially an Iowa Company.

Small	ENOUGH	To Know You
Strong		To Protect You
Old		To Serve You

	ASSETS	Surplus to Policyholders
1919.....	\$ 955,247.71	\$290,750.47
1920.....	1,085,861.85	300,653.99
1921.....	1,145,225.98	350,888.71
1922.....	1,178,100.24	412,192.76
1923.....	1,274,933.70	493,216.00
1924.....	1,290,004.85	518,108.58
1925.....	1,481,724.73	601,820.30
1926.....	1,509,068.94	640,548.34
1927.....	1,588,927.26	701,429.94
1928. 46th Annual Statement	2,068,162.51	\$1,060,961.97

We will tell you more about this Company—or our field man will call if you will write.

THE SECURITY FIRE INSURANCE CO.

of Davenport, Iowa

"Ask the agent who has it"

Conditions in Surety Field Greatly Improved

Conditions in surety underwriting in Iowa have improved decidedly according to G. K. Thompson, Cedar Rapids attorney, who was appointed arbitrator by the Surety Association of America last spring in an effort to eradicate the rebating evil which was a menace to the honest and fair agent.

"I cannot say that there is no rebating going on in the writing of contract bonds in Iowa at the present time," he said. "I assume that that is a state of perfection which may never be reached; but I am sure that the mere institution of a definite system of handling the rebating evil, such as is now provided by the Surety Association, and the knowledge that there is a punishment provided if rebating is proven, has done much to clear the atmosphere. I do not mean to say, that everything has been accomplished as yet that can be; I believe there is still much work to be done before we can say that the serpent has been scotched; but I do feel that reasonable progress has been made."

Rebating the Rule Rather Than Exception

"The abuses," he continued, "which have grown up in this state in connection with the writing of contract bonds are familiar. Rebating was the rule rather than the exception, for several years prior to the time that the present plan of arbitration was adopted. The business, in many cases, was sold strictly on the basis of the lowest rate, which of course meant that the agent who was willing to give up the largest slice of his commission got it, and nobody made much profit. The unrighteous got the business, while the agent who played the game honorably and fairly saw his returns from contract bond commissions shrink to nothing. Under such conditions, many gave up the effort to write this class of business, finding themselves unable to compete with the cheaters and the unfair dealers who were having their innings."

Procedure Informal and Designed to Get Facts

"While the arbitrator is not a detective nor supposed to function as such, he is empowered to make investigations where suspicious circumstances appear and are brought to his attention. All that is necessary in commencing pro-

ceedings is that a letter be sent to me, or verbal complaint made, stating facts which make a prima facie case of rebating. What constitutes a prima facie case must, of course, be left to the judgment of the arbitrator; but the Surety Association has authorized him, in certain cases, to consider suspicious circumstances as prima facie evidence of guilt, to the extent of commencing an investigation and perhaps of requiring the accused to answer. The whole procedure is informal, designed to get at the facts with the least difficulty, and there is no reason why anyone having knowledge of rebating cannot bring it at once to my attention."

Eternal Vigilance Price of Success

"The prevention of rebating," he continued, "in contract bonds, or its punishment if it is committed, is very like the enforcement of the criminal statutes. And I have had several instances arise where parties, having apparent knowledge of facts making a prima facie case of rebating, would not file complaints, or would not see to it that the facts were brought out. This because, in some cases, of friendship for the rebater; in some, that they 'would rather let someone else stir it up.' Now I submit to you, gentlemen, that that is not the attitude that should be taken by those who want rebating to cease. Unless we want rebating to grow and flourish, we will have to get away from the idea of being squeamish about punishing the guilty parties."

"The Surety Association has provided a means for taking action, and I want to assure you that I will be found willing to do anything in my power at any time; but we must have your aid. While, as I have told you, I believe that the situation is very much better, eternal vigilance will be the price of success, at least for a considerable time to come. If we relax, if we do not prosecute vigorously and effectively the violations which arise, that fact will be quickly noted, and the ground gained will be speedily lost. We must consolidate our gains, and must prepare to push on farther. In doing this, let me bespeak the active aid of every member of your association. We have tackled a big job, and we will need it."

Warns Against Inroads by Out of State Agents

"Iowa agents as a rule," Fred W. Colvin, chairman of the executive committee, said in his report, "are not alert to the dangers threatening the agency system. They hope for the best but refuse to rally to a program of self-defense. Since the last convention, millions of dollars worth of Iowa properties have been insured by the big city brokers, where formerly the local agents handled the business efficiently and got the commissions. Thousands of automobiles, once insured in Iowa by Iowa agents are on the books of out of state agents. Mergers have been largely responsible for this result. Some of the companies are quite conscientious about seeing that their local agents get a brokerage for countersigning policies, but others are less interested in the local agents. We are supposed to boost for the companies and gather up the small risks for them, but the big fellows with the giant lines get the warmest welcome in the home offices."

"Colorado has a law forbidding the

payment of commissions to any agent outside of that state on insurance covering properties within that commonwealth. Why wouldn't an effort to secure similar legislation in Iowa enlist the hearty support of Iowa legislators, as well as Iowa agents?"

Mr. Colvin reported that the executive committee held four meetings during the year. He said the committee's chief aim had been to carry out the instructions contained in the resolutions of the past two state conventions to secure legislation limiting insurance company representation to qualified agents and prohibiting rate discriminations. Commissioner Ray Yenter expressed the opinion, said Mr. Colvin, that such legislation would greatly strengthen his control over the business of insurance and afford needed safeguards to the public against inefficiency and misrepresentation on the part of agents.

Mr. Colvin also reported a conference with R. R. Gilkey, secretary of the Surety Association of America.

Some Comment from the Rear Seat

(CONTINUED FROM PAGE 3)

turn in the tide, we have too many companies for the business which is to be written and that horde of newcomers must feed off the rest of us, including you as well as the older companies. It is no secret that in some ways our own agents are showing them the way to the trough.

Consolidations and Chain Stores Cut Premiums

Countrywide consolidations take the business of a client or two away from the agents in nearly every town of size, while every chain store deprives you of a customer. All such business goes to large city brokers for wholesale handling, and while some of it is written in your companies, much of it goes to organizations that are not concerned with the maintenance of the American agency system or the welfare of the agent. And yet for a paltry additional compensation agents can be found to represent the very institutions which are taking away your income in that unethical manner.

This inevitable loss of fire income, though offset in most cases by the growing importance of casualty lines, is something that helps to give agents a mental grouch when the companies feel some change is necessary. It is an excuse rather than a reason but the bad effect is there.

Permanency of Agency More Important Than Commission

The interests of all could not be advanced in any more simple way nor good feeling established any more quickly than by your resolving individually that you will do your business with organization companies alone. It is a consistent thing for association people to do. I am not asking you to select only companies that are members of the Union but companies affiliated with those organizations which stand for the best and which have at heart your interests as well as those of the members they represent. A little more commission here and there means nothing when considered from the standpoint of regularity and the permanence of your agency. The very companies which pay or offer it to you are the ones who do the most in the way of breaking down the agency system you otherwise so strongly support. They cannot or do not command a premium income based on service, support of good practices or anything else but by their actions openly acknowledge either marked selfishness on the part of their managements or an inferiority complex which makes them content to say they must buy their way. They are non-organization at heart and yet expect you association people to make their policy succeed. Some of these companies, classed as non-affiliated, are good in a financial sense but can you afford to represent those which openly admit they can get business only by purchase?

Organization People Should Stand Together

If you are sincere in your opposition to bank agencies in the larger communities, your opposition to overhead writing, your very proper claim that expirations belong to the agent, that the sideline does not belong in this business in the more important localities and that you want a voice through your organizations in shaping the policies of your companies, is it consistent to represent those who in actual practice flout every principle for which you stand? Candidly I think not, for organization people should stand together.

Monthly issues help monthly income of agents and brokers. **The Casualty Insurer**, monthly, \$2 a year, 175 West Jackson boulevard, Chicago.

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UP
Casualty Service
DROP
US A
LINE

FEDERAL SURETY COMPANY

W. L. TAYLOR, *President*

Home Office

Davenport, Iowa

Reasons for Agents to Be Active in Fire Prevention

"Why Should a Local Agent Be Interested in Fire Prevention?" was answered by Claude W. Borrett, secretary-treasurer of the Iowa State Fire Prevention Association, in his talk before the Iowa agents. He is state agent of the Hanover Fire.

"Permit me to draw a picture," he said, "of a paved street 400 miles long at a cost of \$25,000 per mile; every 100 feet on both sides of this street imagine a \$7,000 dwelling; in each dwelling \$3,000 worth of household goods; back of each dwelling a \$1,000 garage and in each garage a \$1,500 car. In all 4,224 sets of furnished buildings where as many happy families live. Each family has a \$5,000 bank account and in addition they have set aside \$362,800,000 for the building and maintenance of an adequate school system. This outlay from paving to schools cost just \$1,112,000,000 which is America's direct and indirect cost of fire each year.

"Can you deny my statement that you would be more useful to your country

if you do your share in preventing this tremendous fire waste? That number of families with that much property and each having a \$5,000 bank account would be a wonderful prospect list for all of us to work on, and just think how easy it would be to collect premiums.

Fire Kills More Dollars Than Any One Thing

"Have you ever considered that dollars represented in property die, when fire destroys? The materials used in building represent a permanent economic loss after the flames have taken their toll. Such dollars can return no further value, literally they are dead. Fire, in America, kills more dollars than any other one thing. The total material destroyed by fire annually is valued at approximately \$300,000,000, a wastage that cannot continue indefinitely without impairing America's prosperity. Our progress is further hampered by the economic waste of time and unemployment. Then, too, a burned

building is not taxable, its tax is distributed among other citizens. Likewise the cost of fire must be included in your customer's fire insurance rates and they rightfully expect you to do all you possibly can to keep their cost of insurance down."

Ford Urges Agents to Be Specialists

Chester E. Ford of the Ford-Petty agency, Des Moines, in his talk said that the agent should be a specialist in the same as a doctor, or a lawyer.

Mr. Ford believes it absolutely necessary for an agent to be a specialist in the insurance work, with no side lines, in order to serve the public. An agent must understand the fundamental principles of the business and have the ability to convey that understanding to his client. He should know that the premium rate is correct and fair, and be able to discover the cause for a high rate and recommend the necessary improvements to secure a lower rate.

When a loss occurs, he must be able to properly advise his client just what to do in order to effect prompt adjustment and payment of loss.

Certain Laws Hold True at All Times

Admonishing his listeners to keep their balance and not allow themselves to be swayed from the path of the fundamental laws of economics by the present unprecedented prosperity, W. R. Boyd of the Iowa State Board of Education spoke on "The Old Commandments Stand." Taking a quotation of Kipling's for his title, which he explained meant that whatever happens and whatever changes take place there are certain rules and laws that will always hold true, he said: "Perhaps we are living in a new age in which the laws of economics have been indefinitely suspended or repealed, but I doubt it. Of one thing I am very sure, that the most dangerous hours are oftentimes those in which we feel most secure."

"I think that the supreme test of this generation is whether or not we shall have strength and wisdom to preserve these manifold blessings of prosperity which have come to us, and pass them on to our children unimpaired, at the same time giving them the strength and wisdom and foresight and the thoughtfulness to continue them and to keep them unimpaired."

Over-Ambition and Greed Menace Prosperity

"The things which I think menace our prosperity today are the same things which have menaced prosperity in all previous periods of the world's history—over-ambition and greed."

Mr. Boyd said that in the midst of the post-war prosperity people need to keep certain fundamentals in mind—"not to dampen our enthusiasm, not to submerge our optimism in pessimism—but to keep our balance, to see to it that we do not lose that which we have gained, as a profligate dissipates his fortune which a wise and prudent father has bequeathed to him."

"You men represent one of the great conserving forces of the country. The principle underlying insurance of all kinds is one of the soundest economic principles ever discovered. But for it, the risks and the daring incident to business expansion of all kinds could never be undertaken. The principle of insurance distributes the losses incident to the destructive forces of the world, including death, in such a manner as to reduce anxiety to a minimum. Your occupation is distinctly and truly noble. It has grown almost beyond the power of the imagination to measure; it is one of the mighty factors in the preservation of our present economic structure which has brought such a multitude of blessings to us all. And it is up to you to do your part to see to it that there is no recurrence of what heretofore we have come to regard as almost inevitable namely; that after a period of prosperity has continued for a certain length of time, we should lose a great part of what we have gained. It is one of the tragedies of life that this should be so; that even some of the finest arts should be lost; that cities which had once flourished should have been buried for centuries on the sands of the desert, and that the very names of those who had made them great are unknown."

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"Ask the Agents who Represent Us"

Securities Building

DES MOINES

Can Insurance REALLY be Advertised Successfully?

*SENIOR — "You know we've tried advertising. . . ."
JUNIOR — "Yes—but there MUST be some way to successfully advertise this business."
There is—read this message.*



EVERY live, wide awake insurance man is interested in advertising. All around him are evidences of its tremendous power. The magazines are crammed with it—the Billboards shout with it—the ether, the press and the mails carry a constant stream of advertising messages until it seems that every business in the world can be advertised successfully except the Insurance Business!

Most insurance men are dubious about Insurance Advertising. They have time and again sent out their circulars or inserted small ads in the local newspapers, or tried some other phase of advertising always hoping against hope that the miracle would at last occur—that at last some traceable return would be secured. And, of course, it seldom did.

And so, sooner or later, most insurance men arrive at the conclusion that the insurance business doesn't lend itself to advertising. That advertising is a good thing for others—but not for us.

But there are at least 400 insurance agencies in America with a different story to tell. These agencies are using the most successful selling aid ever devised for fire and casualty insurance agencies. They are using PICTURES to sell the need for the many different types of insurance coverages. More than that, they are using the expensive rotogravure pictures—eight pages of them every month. They are advertising their business with a personal monthly

House Organ that costs thousands of dollars alone to print. They are doing a four fold job—a complete job—with their advertising medium.

First, they are SELLING insurance by means of striking illustrations carefully selected to show the value and need of particular forms of insurance coverage.

Second, they are keeping in contact with their clients—keeping their clients SOLD on their insurance.

Third, they are building confidence in the character and stability of their agency by using the finest house organ it is possible to publish.

Fourth, they are reducing the sales resistance in personal selling. The Pictorial sells the need for certain types of protection, the proper policy provides the required protection.

The Insurance Pictorial, for that is the name of this proven advertising medium, is patterned after the popular rotogravure sections of the Sunday newspapers. It capitalizes on the universal appeal of PICTURES. This is the biggest factor in its success. No one is going to throw the Insurance Pictorial in the waste basket without a glance. As a people we are PICTURE minded.



In all there are 9 big factors responsible for the success of the Insurance Pictorial. These nine factors together with sample copies of the Insurance Pictorial will be gladly sent you upon request. This coupon is for your convenience.

The price? Surely such an advertising medium must cost a great deal of money—surely this is out for big agencies. On the contrary the Insurance Pictorial may be had for

as low as

\$6 a month!

*It Pays to advertise
— Only when you
know How.*

The National Underwriter Co.,
A-1946 Insurance Exchange,
Chicago, Illinois.

Tell me more about the Insurance Pictorial—Send me sample copies and details regarding the franchise for my city.

Name

Address

City..... State.....

IOWA AGENTS CONVENTION NUMBER



IOWA FIRE Insurance Company

The Iowa Fire Insurance Company of Waterloo, Iowa, will enter its twenty-fifth year January first next.

Its record is unexcelled.

Our circle of friends has continuously widened, but we would like to add to them. Come and see us.

HERMANN MILLER, Manager

CONTRACTS and CONTACTS BEYOND COMPARE:

Appealing Chances for District Managers and General Agents.

- - - - - Attractive Openings in - - - - -
Iowa, Illinois, Nebraska, Oklahoma, Missouri, Texas,
Colorado, Arkansas, North and South Dakota, Michigan, Minnesota and Kansas.

A Virile, Quarter Century Old Life Insurance Service Institution.

GUARANTY LIFE INSURANCE COMPANY

DAVENPORT, IOWA

L. J. Dougherty, Vice Pres.